Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper | R | London, Thursday, May 29, 1997 | No. 35,533

TODAY: HEALTH SCIENCE Nabokov's Blues, Page 10

ick to Cult Status

...After the Fall," and is touring with her own band

President Clinton, with Queen Beatrix, arriving Wednesday for the Marshall Plan commemoration. He said it 'paved the way for reconciliation that bridged age-old divides.'

Gerard Cerles/Agence France-Presse

Clinton Affirms Ties to Europe

By John Vinocur
International Herald Tribune

THE HAGUE — President Bill Clinton reaffirmed America's destiny Wednesday as one bound to the future of Europe, and pledged that the United States would help more in the economic development of the countries of the former Soviet bloc.

"We have learned the lessons of history," Mr. Clinton said in a speech commemorating the 50th anniversary of the founding of the Marshall Plan . "I affirm to the people of Europe: America stands with you."

"For America," he said, "the commitment to our common future is not an option, it's a necessity."

But for all his vigorous phrasing in a day of verbal diversity — a speech, a toast, a news conference, impromptu remarks to reporters — Mr. Clinton offered little specific or concrete in terms of trade or assistance to Eastern Europe that could match NATO's new arrangements with Russia or the scope of the Marshall Plan itself, which put American assistance to work in drawing Western Europe out of the devastation of World War II.

"The Marshall Plan transformed the way America related to Europe," the president said, "and in doing so, transformed the way that Europe related to itself. It planted the seeds of the institutions that evolved to bind Western Europe together, from OECD and NATO to the European Union. And it paved the way for reconciliation that bridged age-old divides."

Attending what was called a United States-Europe summit meeting, Mr. Clinton reported the completion of agreements with the leadership of the European Union covering a range of subjects from international prostitution to cus

U.S. and EU reach a long-awaited agreement on safety inspections. Page 6.

toms service cooperation and drug-related laws. At the same time, there appeared to be particular caution in avoiding what could be interpreted as an American willingness to spend important sums or engage in new responsibilities.

When Mr. Clinton was asked at a news conference if he saw a clear role for the United States in a new Marshall Plan for Eastern Europe, involving a vast trans-Atlantic public and private initiative suggested by the Dutch prime minister, Wim Kok, he skirted the question, saying: " So do I think we need to do more? Yes, I do. And am I prepared to support that? Of course I am."

The president said that projected into terms of today's dollars, the Marshall Plan represented an investment in Europe of about $88 billion, about $2 billion less than has been committed from international sources to the former Communist countries.

No mention was made of a government program resembling the vast undertaking of a half-century ago. Rather, Mr. Clinton pointed to the need for accelerated private investment, adding that private-sector funds would probably have to wait for more public investments, "hopefully, most of them multinational public investments through multinational institutions."

With its list of modest agreements and its handful of broad promises in the classic register of U.S.-Europe anniversary rhetoric, the day in the heavily guarded government quarter of the Dutch capital was oddly tepid, with thanks coming for the Marshall Plan from Jacques Santer, president of the European Commission, and Queen Beatrix, the host of the commemoration, whose country currently holds the ro-

See ALLIES, Page 6

Kohl Defies Bundesbank on Euro

By Alan Friedman and John Schmid
International Herald Tribune

BONN — Provoking an extraordinary and public split with its own central bank, the German government vowed Wednesday to press ahead with its plan to revalue the nation's gold reserves in order to qualify for European monetary union.

The government defied a warning from the Bundesbank, which is unaccustomed to political interference, that revaluing the reserves risked the credibility of both the central bank and the future European currency. If the government succeeds in revising the 1957 Bundesbank act to allow for the transfer of the book profits, "that would mean interference in the monetary policy of the Bundesbank," the central bank said. "Such a measure would be in contradiction with the German tradition and with the Maastricht treaty's view on the independence of the central banks."

In France, few signs that President Chirac is pulling together rival conservative factions. Page 5.

Given the Bundesbank's resistance, analysts reckon it will be more difficult for Chancellor Helmut Kohl to get parliamentary approval for a revision of the Bundesbank law. That would risk Germany's chance of meeting the deficit criteria and add another uncertainty to monetary union, analysts said.

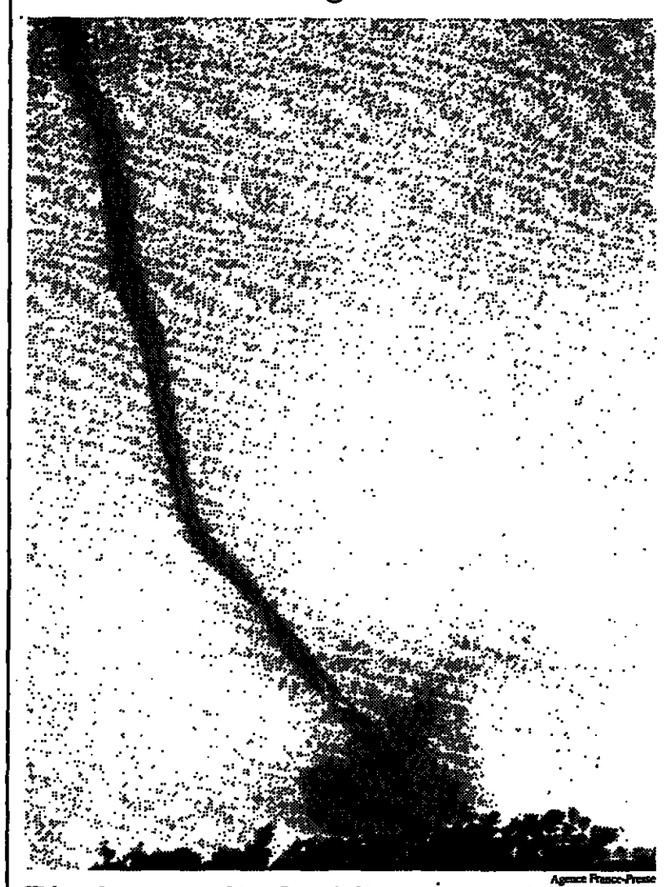
The unprecedented rejection of the Bundesbank's authority was made as France and Germany, the two countries at the heart of Europe's single currency project, also appeared increasingly at odds Wednesday. The leader of France's Socialists, Lionel Jospin, accused Finance Minister Theo Waigel of Germany of accounting trickery for using the nation's reserves in what Mr. Jospin called a bookkeeping "fudge."

Tensions between France and Germany, as well as doubts about prospects for monetary union, have risen sharply this week after leftists in France emerged victorious in the first round of parliamentary elections. Mr. Jospin is considered likely to become prime minister if the left wins a runoff election Sunday.

The quarrel with the Bundesbank dramatized the German government's

See GOLD, Page 12

Tornadoes Savage Central Texas



Agence France-Presse

This twister approaching Jarrell, Texas, was one of several that resulted in at least 27 deaths and widespread devastation. Page 3.

Indonesian Urges Nation To the Polls

By Michael Richardson
International Herald Tribune

JAKARTA — In a move to reassert his authority after the worst election campaign violence of his 30-year rule, President Suharto called Wednesday for a strong turnout in elections here Thursday.

In an election eve speech that was clearly aimed at countering opposition calls for a boycott of the polls to protest the government's tight control over the process, Mr. Suharto said that all Indonesians eligible to vote should do so, so the country could accelerate its economic development and move toward democracy.

"I call on all of us to exercise the right to vote with a sense of responsibility," he said in a nationally televised broadcast. "The right to vote and the right to be elected are basic democratic political rights."

Mr. Suharto defended the official controls on the political system as essential for stability, peace, national unity and the rapid economic growth needed to provide more jobs and raise living standards.

The governing Golkar party — which has strong backing from the government, the bureaucracy and the powerful military — is expected to win another big majority. It has won every election since 1971, and has declared that its target this time around is to win more than 70 percent of the vote.

It won 68 percent of the vote in the last elections, in 1992. But this time round, anti-government feeling appears to pose a stronger challenge to the government.

In his address Wednesday, Mr. Suharto said: "Democracy is a long process of national development. It is not easy for any country to reach an ideal level of maturity in democracy, let alone a nation as complex as ours."

Military seeks a bigger role. Page 4. • Timorese dissident puts U.S. on the spot. Page 2.

The Hard Fall of a Japanese Giant

Nomura Scandal Threatens to Indict Country's Business Tradition

By Sheryl WuDunn
New York Times Service

TOKYO — He lived for his job as a middle manager at Nomura Securities Co., the world's largest securities firm. Then the latest scandal hit, and his son, who had not bothered to telephone all year from college, called up, worried that the firm might not survive.

"Many of us are starting to feel that even our children may not be proud to say their father is working at Nomura," said the manager, who declined to be identified. "The company is in a kind of anarchy now. It's like a ship that can't decide which way to go. While it can't decide, it's starting to sink."

"The Gulliver," added the employee, "could become a Lilliputian."

It is a long way to fall for Japan's most powerful securities house: from the pinnacle of financial and political influence a few months ago, poised to lead Japan into a new era of financial liberalization, to a twilight zone as a scandalized pariah with whom few openly want to deal — all because of accusations that Nomura has had ties to gangsters.

Now, some employees and analysts say that the firm faces its biggest challenge: to shed its old shady ways, shake off the current disgrace and brace for rough-and-tumble competition in the run up to the Big Bang, Japan's ambitious plan to remake its markets to look like New York's and London's by the year 2001.

But the scandal is not just about Nomura and payoffs to gangsters.

When prosecutors press formal charges against Nomura, as they are expected to do in June, that move could snowball into an indictment of Japan's entire business tradition, and particularly of the circle of influence that creates shadowy alliances among politicians, bureaucrats and business executives.

If prosecutors push hard enough, they

See NOMURA, Page 6

The Dollar		
New York	Wednesday @ 4 P.M.	previous close
DM	1.6955	1.7055
Pound	1.639	1.6311
Yen	115.865	116.67
FF	5.7295	5.7595

The Dow		
	Wednesday close	previous close
-30.14	7353.27	7383.41

S&P 500		
change	Wednesday @ 4 P.M.	previous close
-2.5	847.21	849.71

AGENDA

Czech Leader Unveils Cabinet Changes

PRAGUE (Reuters) — Prime Minister Vaclav Klaus said Wednesday that his three-party governing coalition had agreed on an economic recovery program and on changes in the Czech Republic's cabinet.

The deal means that the center-right government will stay in power, but with some ministerial changes. Mr. Klaus said that a former education minister, Ivan Pilip, would take over as finance minister and that the ambassador to Britain, Karel Kuhnl, would become industry and trade minister.

The government agreed last week to make cabinet changes in response to a sharp fall in its popularity sparked by an economic downturn.

PAGE TWO
Riady Empire and Human Links

SPORTS Page 18.
Sampras Advances in Paris Open

Books ..... Page 10.
Crossword ..... Page 10.
Opinion ..... Pages 8-9.
Sports ..... Pages 18-19.

The IHT on-line http://www.iht.com

Russian Public's Yawn Reduces Risk of Backlash Over NATO

By Michael R. Gordon
New York Times Service

MOSCOW — Seeking to defend his new accord with NATO, President Boris Yeltsin is telling voters that he still opposes the expansion of the Western alliance and is trying to minimize the threat to Russia.

But try explaining that to Dimitri Beletsri, the 34-year-old manager of an electronics store. "Actually, I have not seen any threat from the West since I graduated from school and the brainwashing stopped," he said on Tuesday. "Personally, I see a much greater danger in the incompetence of our leaders. Our tax policy encourages crime and corruption. That is the real threat to our country."

For all the storm and fury that NATO expansion has generated among the politicians, much of the Russian public has so far greeted the debate with a collective yawn.

Public opinion surveys taken before Mr. Yeltsin agreed to sign the accord indicated that few Russians were happy about the North Atlantic Treaty Organization's decision to expand. But they also indicated that the issue ranked relatively low on the average citizen's list of concerns, already dominated by more pressing worries over unpaid wages, taxes and crime.

The schism between the NATO-bashing of Russia's political elite and relative indifference of much of the public reflects the deep distrust many Russians have of their leaders and of the news media, which are increasingly viewed as a captive of special interests.

The gap also has important consequences for Western policymakers. It reduces the risk that an anti-reform demagogue will rise to power because of a popular backlash over NATO expansion. The concern that NATO expansion will cause the West to "lose" Russia is not well supported by the polls. Nationalist politicians will continue to try to stir up anti-NATO sentiment as the Parliament debates the accord in the weeks ahead. And much

See RUSSIA, Page 6

U.S.'s Inland States Evolve Into Export Pathways

By James Brooke
New York Times Service

DENVER — Although foreign trade historically has been the job of seaports, this inland city 1,000 miles from the sea will play host next month to world leaders at their annual economic summit meeting.

The choice of Denver as the gathering place is symbolic of how America's heartland is becoming a major participant in the world economy, leading the country in foreign trade growth and drawing investment from around the globe.

Of the 10 states that recorded the fastest rates of export growth from 1988 to 1996, seven were landlocked Western states. Arizona, the region's star performer, now exports more per capita than New York.

Colorado, once viewed mainly as mountain and ranch country, recently saw the value of its manufactured exports surpass that of its farm and ranch production.

Traditional heartland industries such as agriculture and mining are rapidly growing and joining the world economy. With exports of processed food soaring, Plains farmers are riding a boom that is forecast to double American food exports over 15 years, to $80 billion in 2005.

At the same time, technological advances have allowed new industries such as financial services, computer services and telecommunications to flourish in the world economy from bases in the nation's interior.

"In terms of integrating into world markets, the heartland has played catch-up at a very fast clip in the 1990s," said Mark Drabenstott, vice president for research at the Federal Reserve Bank in Kansas City, Missouri.

High economic growth has brought new constraints as state officials struggle with labor and housing shortages and with the historic barrier to growth in the West — water.

But statistics bear out a remarkable economic surge for almost all the U.S. states in the Mountain time zone, a geographically disparate area that includes all or parts of Arizona, Colorado, Idaho, Kansas, Montana, Nebraska, New Mexico, North Dakota, South Dakota, Utah and Wyoming.

See DENVER, Page 6

New Details Of War Deals Rock the Swiss

By Alan Cowell
New York Times Service

BONN — Reeling from charges that it helped prolong World War II through its financial dealings with the Third Reich, Switzerland on Wednesday faced new accusations that its wartime weapons industry profited from — and favored — Hitler's Germany in arms trading worth millions of dollars.

The disclosure will heap further discredit on a nation that cast itself as a wartime neutral but whose actions are seen more and more by outsiders and by some Swiss as those of a power that collaborated broadly with Nazi Germany under the cloak of that neutrality.

The weapons deals between Switzerland and Nazi Germany had been widely-known long before Wednesday's disclosures by Mauro Cerutti, a historian at Geneva University.

What was new, Mr. Cerutti said in a telephone interview, was a documented and detailed accounting of the companies and amounts involved in a trade that from 1940 to 1944 amounted to 600 million Swiss francs, at wartime prices.

"It's the first time there's a list and it's a very detailed list," he said, referring to a document dating to 1946 and discovered in the archives of the Swiss Military Department. Quoting a defense official, Mr. Cerutti provided similar details in a paper published in a Swiss academic journal last year, but little attention was paid to it at that time.

Swiss officials have always sought to cast their wartime dealings with Nazi Germany as a function of their now-disputed neutrality, maintaining that wartime Switzerland dealt even-handedly with the Third Reich and the Allies.

But according to Mr. Cerutti,

See SWISS, Page 6

Newsstand Prices			
Bahrain	1.000 Din	Malta	55 c.
Cyprus	C. £ 1.00	Nigeria	125.00 Naira
Denmark	14.00 D.Kr.	Oman	1.250 Rials
Finland	12.00 F.M.	Qatar	10.00 Rials
Gibraltar	£ 0.85	Rep. Ireland	IR £ 1.00
Great Britain	£ 0.90	Saudi Arabia	10.00 R
Egypt	£E 5.50	S. Africa	R12 + VAT
Jordan	1.250 JD	U.A.E.	10.00 Dirh
Kenya	K. SH. 160	U.S. Mil. (Eur.)	$ 1.20
Kuwait	700 Fils	Zimbabwe	Zim.$30.00

AT&T

9 770294 805049 22

U.S. Scandal No Problem / **'Great Face' in Indonesia**

The Riady Empire and Human Connections

By Sharon LaFraniere, John Pomfret and Lena H. Sun
Washington Post Service

THE Lippo logo — two bright red infinity signs — is ubiquitous in Indonesia. Besides the banks and financing firms at Lippo's core, the company manufactures textiles and electronic products, mines coal, sells insurance and builds shopping centers, housing developments and hospitals. Its flagship, Lippo Limited, discloses assets of $3.6 billion. In Jakarta, locals joke that Lippo stands for Lama-Lama Indonesia Pun Punya Oe, meaning: In the long run, even Indonesia will be mine.

Mochtar Riady, a charmingly genial man with an easy dignity, built the Lippo empire over four decades, beginning with a single bank. Now 68, he laid out his

Second of two articles.

business philosophy in a 1984 interview with an Arkansas magazine: "Every network has to have its foundation laid on special, personal, human connections," he said. "What I am looking at is what my partners can offer in personal contacts and business connections."

The result of those connections today is a network of joint ventures with others from Mr. Suharto's half-brother to Wal-Mart. One count puts the number of Lippo's subsidiaries at 143. Its intricate structure, typical of Asian conglomerates, means "no one can really put the pieces together," said Stephen Chipman, former Asia director for the accounting firm of Grant-Thornton.

James Riady's estate outside Jakarta, one of at least three lavish homes he owns, is testimony to the success of his father's philosophy. A three-story manor in the middle of a Lippo-owned golf course, it contains multimillion-dollar art collection. Outside is a lake and pad for Riady's helicopter — all ringed by a moat.

For all the Riadys' wealth, however, they are not in the top tier of politically connected Indonesian firms. A half-dozen or so others are closer to Mr. Suharto, and more likely to benefit from government largesse. Mr. Suharto has ruled Indonesia for 31 years, and his control of the world's fourth most populous nation is absolute. His relatives are among the beneficiaries of his power over commercial enterprises: Every television owner, for example, pays a tax to a company owned by Mr. Suharto's oldest son.

Mr. Suharto's relatives are involved in some Lippo businesses, but Mochtar Riady's main contact with the Indonesian president is through his longtime patron, Liem Sioe Liong. Like much of Indonesia's business elite, Mr. Liem and Mr. Riady are ethnic Chinese, and they face the prejudice and resentment of the indigenous Indonesians known as *pribumi*.

Mr. Liem, sometimes described as Indonesia's richest business tycoon, has the advantage of a close, long-standing friendship with Mr. Suharto. But Mochtar Riady, who shed his Chinese name of Lee Mo Tie to fit in better with the pribumi, is "in the outside circle, trying to move inward," said one former U.S. official who specialized in Indonesia.

The Riadys may need good relations with the Suharto regime now more than ever because their financial empire appears not quite as secure as it once was. In late 1995, Lippo Bank's failure to make an inter-bank interest payment caused a run on the bank.

Reuters
James Riady, deputy chairman of the Lippo Group conglomerate, with his wife and daughter.

Todd Bigelow/The Washington Post
The Lippo Bank in the Chinatown section of Los Angeles.

Panicked depositors yanked out funds, and a group of private companies, at the behest of the state-owned Central Bank of Indonesia, came to Lippo's rescue.

That was followed by a financial restructuring in September that allowed the Riadys to pump $373 million into Lippo's ailing real estate development operations. Lin Che Wei, a financial analyst in Jakarta, sees Lippo as a carefully balanced house of cards, held up partly by the Riadys' practice of gobbling up shares of Lippo stock to drive up the price.

At the same time the Riadys are trying to maneuver closer to Mr. Suharto, the family is positioning itself with the Chinese government. In 1993, for instance, Mr. Riady and an associate, John Huang, arranged a trip to Atlanta so a high-ranking Chinese Communist Party official involved in Beijing's bid to hold the Olympics in 2000 could meet the team that put on the 1996 games.

The Chinese government has responded favorably to Lippo's overtures: China Resources, a wholly owned enterprise of China's Ministry of Foreign Trade and Economic Cooperation, is now an equal owner with Lippo in Hong Kong Chinese Bank in Hong Kong. When Lippo was desperate for cash to bolster a struggling real estate development outside Jakarta, the Chinese firm came up with $26 million.

Lippo is setting up banks, building hotels, stores and offices and investing in cement factories in a half-dozen Chinese cities. In Fujian Province, the ancestral home of Mochtar Riady's parents, Lippo plans a major development.

The Riadys came to know President Bill Clinton by happenstance. When Mochtar Riady decided in the late 1970s to shop for a U.S. bank, Stephens Inc., a prominent investment banking house based in Little Rock, provided advice. Jack Stephens and Mochtar Riady hit it off, and the two families bought a controlling interest in Little Rock's Worthen Bank.

Mochtar Riady installed his confident and energetic middle son, James, as Worthen's co-president. The younger Riady, then 28, didn't care much about politics, but "he was interested in people who were important because they were important," said a former Worthen executive who worked for him. When Mr. Clinton went to Hong Kong in 1985, the Stephens and Riady families arranged a cruise of Hong Kong harbor, a dinner, a shopping trip and a cocktail reception.

To the Riadys' disappointment, the Stephens partnership fell apart in 1986 after a New Jersey investment firm that owed Worthen $52 million went bankrupt. That spelled the end of the bank's international division. Bank examiners said it involved too much risk, and they criticized a number of insider loans to entities controlled by the Riadys and the Stephenses.

ONCE he packed up in Little Rock, James Riady concentrated on a small, troubled retail bank in California that he bought in 1984. But the Riadys were not much more successful in California than in Little Rock. Lippo Bank, as it is now called, has steadily lost money, staying afloat only because James Riady has poured in $26 million.

In 1990, bank examiners requested a criminal investigation after discovering that a 21-year-old teller made more than 900 wire transfers totaling $7 million to accounts at the Hong Kong Chinese Bank, owned by Lippo and China Resources. According to an examiner's memo, the teller routinely wired amounts of just under $10,000, the threshold at which transfers must be reported. Almost all were booked under phony names and initialed by a supervisor, according to congressional investigators. There is no indication that the bank's top echelon knew of the practice.

What interested James Riady, increasingly, was developing U.S. political contacts. His representative was Mr. Huang, who ran the Los Angeles-based bank. Mr. Huang and Maria Hsia, an Asian American fund-raiser in California, began raising money for the Democratic Senatorial Campaign Committee in the late 1980s. In an April 1988 memo sent to Ms. Hsia, Mr. Riady listed six senators he wanted to invite to Indonesia, Hong Kong and Taiwan, with private dinners or luncheons hosted by his family.

Mr. Riady also specified the need for senators to urge Taiwan to loosen its regulations and allow Asian American banks, or at least his bank, to open offices there. It was one of the few times he seemed to be seeking a specific benefit from U.S. officials.

But his efforts to play on the U.S. political scene in those years paled in comparison to the push his family made once Mr. Clinton was elected president in 1992. Mochtar Riady flew to Little Rock to see Hillary Rodham Clinton receive an "Arkansan of the Year" award from the March of Dimes. He donated $50,000 on the spot.

The Riady family's strongest connection to the administration was Mr. Huang, who moved from the Commerce Department to the Democratic National Committee after meeting with Mr. Clinton and James Riady in the Oval Office in September 1995.

With Mr. Huang's fund-raising activities now the subject of numerous investigations, the Riadys have lost their White House entree. But ironically, the controversy may have done more to enhance the family's reputation in Asia than all the White House visits ever did.

"The interesting thing about this huge scandal is that it's giving them great face in Indonesia," said a financier with an Asia-based firm. "People are saying, 'It shows you how influential they are, how close they are to the seat of power.' "

Timor Exile Puts Clinton on Spot

White House Door Is Barred

By Thomas W. Lippman
Washington Post Service

WASHINGTON — Winning the Nobel Peace Prize has opened doors for Jose Ramos-Horta all across Europe and boosted his lecture fees, but it has not helped him obtain a high-level appointment at the White House.

A member of the National Security Council staff was authorized to talk to him by telephone, Mr. Ramos-Horta said here Tuesday, adding, "I told him it was the diplomatic equivalent of safe sex."

Mr. Ramos-Horta is an exile from East Timor, the former Portuguese colony north of Australia that was invaded and annexed by Indonesia after Portugal gave it up in 1975.

Based in Sydney, he travels the world making the case for self-determination for the East Timorese, Catholics who have long resisted the rule of Muslim Indonesia.

Last year, he and East Timor's spiritual leader, Bishop Carlos Ximenes Belo, who has stayed in East Timor, received the Nobel Peace Prize for their work in calling attention to the plight of the region's 800,000 people.

"President Clinton is knowledgeable and sensitive about East Timor," Mr. Ramos-Horta said Tuesday in a meeting with Washington Post editors and reporters. He recalled that East Timorese students demonstrated at the U.S. Embassy in Jakarta during Mr. Clinton's visit to Indonesia in 1994, and said Mr. Clinton's response had been sympathetic.

But Mr. Ramos-Horta's quest for a high-level White House reception, during a previous visit to Washington in March and on his current trip, has presented the White House with an uncomfortable choice.

Mr. Clinton has drawn criticism from some commentators for granting White House access to big-spending Indonesian campaign contributors while denying it to Mr. Ramos-Horta, but administration officials said the issue went beyond Mr. Clinton's desire to maintain good relations with an important Asian economic power.

Mr. Ramos-Horta is not like the Dalai Lama, the spiritual leader of Tibet's Buddhists who has been welcomed at the White House over Chinese objections, administration officials said. He is a political activist who in the past has been associated with groups promoting violence, one official said, and "there is some question whether he has been sufficiently sanitized by the Nobel Prize."

Bishop Belo, co-winner of the prize, is a religious figure who lives among his people and would be a more acceptable figure for high-level administration attention, U.S. officials said.

Mr. Ramos-Horta has met with Undersecretary of State Timothy Wirth and with John Shattuck, assistant secretary of state for human rights, who has twice visited East Timor to show U.S. concern for conditions there.

He wanted a meeting with Mr. Clinton or a cabinet-level official on his current visit, administration officials said. But even if the president were so inclined it was not going to happen because Mr. Clinton, Secretary of State Madeleine Albright and Deputy Secretary of State Strobe Talbott were all out of the country.

"I'll come back," Mr. Ramos-Horta said wryly. "I'll accommodate their schedules."

TRAVEL UPDATE

Louvre Is Free During New Strike

PARIS (AFP) — The Louvre opened free of charge Wednesday during a cashiers' strike.

The museum reopened Monday after a five-day strike by museum guards that cost 1.7 million francs ($370,000) in lost revenue, management said.

The cashiers, like the museum guards, are demanding extra days off and more staff.

Washington Adding Museum Bus

WASHINGTON (AP) — Tourists will find a special bus serving 23 of Washington's major museums and some other sites, beginning Sunday.

"Museum Bus" will operate seven days a week through September. Tickets, which can be bought at museums and more than 50 hotels, cost $5 for one day or $15 for five days. A five-day family ticket will be available for $25.

Buses will run every half hour, 10 A.M. to 5 P.M.

Italian air traffic controllers revoked an eight-hour nationwide strike that was called for Wednesday. *(AP)*

Traffic controllers at 17 airports in western Siberia went on strike Wednesday to seek back wages. *(AP)*

Detained Palestinian Suspends Disputed TV

Agence France-Presse

RAMALLAH, West Bank — A Palestinian-American journalist who spent the last week in jail apparently for televising live coverage of the Palestinian legislature said Wednesday that he was suspending the broadcasts.

"Al Quds television decided to stop transmission of the Palestinian legislative council," Daoud Kuttab said a day after his release from detention, referring to his television studio based in Ramallah.

"This decision was made on Friday before my release by the police. It was a unilateral decision and was not made under pressure from anyone."

Mr. Kuttab was released Tuesday night after a week in detention in the West Bank self-rule area of Ramallah. He was never charged or even questioned by the police, he said.

"They only asked me one question at the beginning, if I was connected to Al Quds television," he continued. "After that they never asked me anything." He conducted a hunger strike from Friday to Tuesday inside the Ramallah police station where he was held, but said he "was not mistreated by the police."

Mr. Kuttab's studio had been broadcasting live debates of the council, which often include criticisms of Palestinian Authority officials not otherwise heard by the Palestinian public.

He insisted that the suspension of the broadcasts was "not a defeat," adding that the Information Ministry had cast doubt on whether broadcast licenses for Al Quds, an independent station, permitted it to transmit council sessions.

An East Jerusalem resident who has U.S. citizenship, Mr. Kuttab had been broadcasting under contract with the council and with a grant from the U.S. Agency for International Development.

The transmission was electronically jammed for three weeks before his arrest.

Israeli Proposals to Revive Talks Are Rebuffed

Agence France-Presse

GAZA CITY — An Egyptian envoy began a shuttle mission Wednesday to try to bring Israelis and Palestinians back to the negotiating table, but Palestinian officials rebuffed Israeli proposals for reviving peace talks.

The Palestinian leader, Yasser Arafat, said the Egyptian envoy, Ossama Baz, had brought him a letter from President Hosni Mubarak detailing a summit meeting Tuesday with Prime Minister Benjamin Netanyahu of Israel. Mr. Arafat said Mr. Netanyahu had not agreed to Palestinian demands to freeze the construction of Jewish settlements in predominantly Arab East Jerusalem.

According to the Palestinian information minister, Yasser Abed Rabbo, Mr. Netanyahu offered to ensure progress in implementing overdue Israeli commitments under a 1995 interim peace agreement as a way of enticing the Palestinians back into negotiations.

The Palestinians rejected the offer, he said. "These are used goods and we know it," Mr. Rabbo said.

"He did not talk about settlements or land confiscation, which are the main issues," he added.

Mr. Baz cautioned Palestinians not to expect "to reach an understanding in one step" and said he would continue his mission by meeting with the Israelis in the next few days "to search for ways of activating the peace process."

FRENCH IN BORDEAUX
• Top quality courses, for students, businessmen, diplomats.
• Bordeaux Wine Programme
'Art of Tasting'
1 Cours G. Clemenceau, 33000 Bordeaux - France.
E-mail: bls@imaginet.fr
Tel. (33) 5 56 51 00 76 Fax (33) 5 56 51 76 15

WEATHER

Forecast for Friday through Sunday, as provided by AccuWeather.

North America
A disturbance will bring the threat for a couple of showers and thunderstorms to the Midwest. Great Lakes and East Friday into Saturday. Very warm weather will shift from the West coast to the Rockies Friday and Saturday, then into the Plains Sunday. Turn cooler and wetter in the Northwest.

Europe
Sunshine and warm weather will prevail in Paris, London and Amsterdam through the weekend. Berlin and Warsaw will be cool Friday, then turning gradually milder over the weekend; mainly dry with some sunshine each day. Southeast Europe will be cool and unsettled with spotty showers.

Asia
A slow-moving upper-level storm will bring cool, wet weather to Manchuria and both Koreas through the weekend. A series of surface low pressure areas will produce showers across Japan each day. Beijing will turn cooler this weekend after the chance for showers Friday.

Europe

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Algarve	23/73	16/61 pc	23/73	14/57 sh
Amsterdam	17/62	9/48 pc	19/66	12/53 pc
Ankara	24/75	5/41 pc	21/70	4/39 pc
Athens	24/75	14/57 s	18/66	11/52 pc
Barcelona	23/73	13/55 pc	22/71	15/59 pc
Belgrade	17/62	9/48 r	17/62	9/43 r
Berlin	15/59	7/44 c	18/64	10/50 pc
Brussels	19/66	10/50 s	21/70	13/55 pc
Budapest	18/64	8/46 c	19/66	5/41 pc
Copenhagen	14/57	7/44 sh	18/64	9/48 pc
Costa Del Sol	28/82	17/62 c	27/80	18/64 c
Dublin	20/68	12/53 s	21/70	14/57 s
Edinburgh	21/70	11/52 pc	21/70	12/53 pc
Florence	22/71	11/52 s	24/75	12/53 s
Frankfurt	18/64	8/46 c	19/66	10/50 pc
Geneva	23/73	9/48 s	25/77	12/53 s
Helsinki	12/53	-2/29 pc	13/55	2/35 pc
Istanbul	23/73	9/48 pc	17/62	6/46 c
Kiev	18/64	7/44 pc	17/62	7/44 r
Las Palmas	22/71	17/62 pc	23/73	18/64 s
Lisbon	22/71	14/57 c	22/71	14/57 c
London	22/71	11/52 s	23/73	14/57 s
Madrid	29/84	14/57 pc	27/80	12/53 pc
Mallorca	28/71	14/57 pc	21/70	16/61 pc
Milan	24/75	12/53 s	27/80	14/57 s
Moscow	16/61	7/44 pc	18/64	7/44 pc
Munich	15/59	5/41 c	19/64	7/44 pc
Nice	21/70	14/57 s	22/71	16/61 s
Oslo	16/61	8/46 c	18/64	9/48 sh
Paris	22/71	11/52 s	25/73	13/55 s
Prague	15/59	4/39 c	17/62	6/43 pc
Reykjavik	10/50	5/41 sh	9/48	5/41 sh
Riga	13/55	1/34 pc	11/52	3/37 pc
Rome	22/71	9/48 s	22/71	11/52 s
St. Petersburg	13/55	7/44 r	13/55	6/43 pc
Stockholm	13/55	1/34 c	17/62	5/41 pc
Strasbourg	20/68	9/48 s	22/71	11/52 s
Tallinn	12/53	-1/31 pc	13/55	3/37 pc
Tbilisi	28/79	14/57 pc	29/84	15/61 pc
Venice	19/66	10/50 pc	21/70	11/52 pc
Vienna	17/62	7/44 c	17/62	7/44 c
Warsaw	14/57	6/43 r	14/57	0/32 pc
Zurich	19/66	8/46 s	21/70	10/50 s

Middle East

Abu Dhabi	39/102	23/73 s	39/102	24/75 s
Beirut	25/77	16/61 s	24/75	15/61 s
Cairo	34/93	16/61 s	36/97	18/64 s
Damascus	31/88	11/52 s	31/88	11/52 s
Jerusalem	27/80	11/52 s	27/80	12/53 s
Luxor	42/108	19/66 s	43/109	19/66 s
Riyadh	41/106	28/82 s	41/106	28/82 s

North America

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Anchorage	21/70	9/48 pc	16/61	7/44 c
Atlanta	27/73	18/67 sh	26/79	16/61 t
Boston	23/73	11/52 s	18/64	10/50 pc
Chicago	19/66	11/52 t	19/66	11/52 c
Dallas	29/84	19/66 s	28/82	17/62 pc
Denver	22/71	10/50 pc	23/73	9/48 pc
Detroit	18/64	11/52 t	20/68	11/52 c
Honolulu	29/84	23/73 pc	32/89	24/75 pc
Houston	29/84	20/68 t	29/84	19/64 pc
Los Angeles	34/93	18/64 s	30/86	17/62 pc
Miami	30/86	22/71 pc	31/88	24/75 pc
Minneapolis	18/64	9/48 sh	20/68	12/53 pc
Montreal	18/64	11/52 sh	21/70	12/53 sh
Nassau	30/86	23/73 pc	30/86	22/71 pc
New York	23/73	14/57 s	19/66	16/61 sh
Orlando	30/86	19/66 pc	31/88	21/70 t
Phoenix	41/106	25/77 s	39/102	24/75 s
San Fran.	24/75	14/57 s	24/75	13/55 pc
Seattle	20/68	11/52 sh	22/73	13/55 sh
Toronto	16/61	8/46 sh	21/70	8/46 sh
Vancouver	19/66	10/50 sh	21/70	14/57 sh
Washington	22/71	13/55 s	21/70	16/61 sh

Asia

	Today High	Today Low/W	Tomorrow High	Tomorrow Low/W
	C/F	C/F	C/F	C/F
Almaty	28/82	16/61 c	29/84	17/62 pc
Bali	32/89	21/70 pc	32/89	21/70 s
Bangkok	33/91	24/75 r	31/88	24/75 r
Beijing	23/73	14/57 s	27/80	16/61 s
Bombay	32/89	23/73 s	31/88	24/75 s
Calcutta	35/97	25/77 s	35/95	24/75 pc
Chiang Mai	33/91	23/73 s	32/89	23/71 r
Colombo	30/86	24/75 pc	29/84	24/75 sh
Hanoi	31/88	23/73 pc	30/86	25/77 c
Ho Chi Minh	32/89	24/75 r	31/88	24/76 r
Hong Kong	29/84	23/73 pc	28/82	23/73 s
Islamabad	41/106	22/71 s	38/100	23/73 s
Jakarta	31/88	23/73 pc	30/86	23/73 pc
Karachi	37/98	25/78 s	36/97	24/75 s
K. Lumpur	32/89	22/71 pc	31/88	23/71 pc
K. Kinabalu	31/88	25/78 pc	32/89	24/75 pc
Manila	29/84	24/75 r	32/89	23/73 sh
New Delhi	43/109	24/75 s	41/106	29/84 pc
Phnom Penh	31/88	23/73 r	32/89	24/75 c
Pusan	33/91	24/75 r	31/88	24/75 r
Rangoon	33/91	24/75 r	32/89	25/77 r
Seoul	25/77	15/59 s	20/68	12/53 r
Shanghai	24/75	17/62 pc	28/82	19/66 pc
Singapore	32/89	25/78 pc	32/89	25/77 pc
Taipei	28/82	22/71 c	28/82	22/71 c
Tokyo	23/73	13/55 pc	25/77	15/61 r
Vientiane	31/88	24/75 pc	30/86	25/77 c

Africa

Algiers	33/91	20/68 pc	31/88	19/64 pc
Cape Town	17/62	9/43 s	21/70	9/48 s
Casablanca	23/73	17/62 pc	24/75	16/61 pc
Harare	31/88	12/53 s	32/89	13/55 s
Lagos	29/84	22/71 pc	29/84	23/73 pc
Nairobi	25/77	12/53 pc	26/79	13/55 pc
Tunis	29/84	15/59 pc	28/79	14/57 s

Latin America

Buenos Aires	14/57	9/48 c	15/59	8/46 c
Caracas	30/86	24/75 s	31/88	25/77 pc
Lima	23/73	17/62 pc	22/71	17/62 pc
Mexico City	23/73	11/52 c	24/75	11/52 pc
Rio de Janeiro	24/75	16/61 pc	20/68	15/59 c
Santiago	13/55	8/46 r	11/52	9/32 r

Oceania

Auckland	14/57	10/50 sh	14/57	13/55 sh
Sydney	20/68	10/50 pc	16/61	6/43 s

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hca, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1997

A two-month trial subscription.
Save up to 60%
Try a special, low cost 2-month trial subscription to the International Herald Tribune to enjoy delivery to your home or office every morning AND save up to 60% off the newsstand price.

COUNTRY	CURRENCY	2 MONTHS NEWSSTAND PRICE	2 MONTHS OFFER PRICE	DISCOUNT OFF COVER PRICE
AUSTRIA	ATS	1 456	650	55%
BELGIUM-LUXEMB.	BEF	3 380	1 350	60%
DENMARK	DKK	780	360	54%
FINLAND	FIM	623	310	50%
FRANCE	FF	520	210	60%
GERMANY	DEM	193	72	63%
GREAT BRITAIN	£	137	54	61%
HONG KONG	HK$	676	284	57%
ITALY	ITL	145 000	58 000	60%
JAPAN	¥	26 000	12 150	53%
MALAYSIA	RM	183	101	45%
NETHERLANDS	NLG	195	78	60%
NORWAY	NOK	632	390	38%
SINGAPORE	S$	146	82	43%
SPAIN	PTAS	11 700	5 000	57%
SWEDEN	SEK	632	350	58%
SWITZERLAND	CHF	166	66	60%
USA	$	78	33	58%

FOR OTHER COUNTRIES PLEASE CONTACT YOUR NEAREST IHT OFFICE

Yes, I would like to start receiving the International Herald Tribune.
☐ My check is enclosed (payable to the IHT)
Charge my: ☐ Amex ☐ Diners ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard
For ex-US and Asian prices, credit cards will be charged in French Francs at current rates.
Card No: _____ Exp. Date: _____
Signature: _____
For business orders, indicate your VAT No: _____ (IHT VAT Number FR74732021126)
Mr/Mrs/Ms Family Name: _____
First Name: _____ Job Title: _____
Mailing Address: _____
City/Code: _____
Country: _____
Home Tel No: _____ Business Tel No: _____
E-Mail Address: _____
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other 29-5-97
☐ I do not wish to receive information from other carefully screened companies
Mail or fax to: International Herald Tribune
EUROPE, MIDDLE EAST & AFRICA
181 Ave. Charles de Gaulle, 92521 Neuilly Cedex, France
Fax: +33 1 41 43 92 10. Tel: +33 1 41 43 93 61
THE AMERICAS
850 Third Avenue, New York, N.Y. 10022-6775, USA
Fax: +1 212 755 8785. Tel: (toll free) 1-800-882-2884
ASIA
7/F Malaysia Bldg, 50 Gloucester Rd, Wanchai, Hong Kong
Fax: +852 2922 1199. Tel: +852 2922 1171
E-Mail: subs@iht.com Asia: subshk@ihthk.com
Offer valid for new subscribers only. HA7M

Printed by Newsfax International, London. Registered as a newspaper at the post office.

Timor Exile Puts Clinton on Spot

White House Door Is Barred

By Thomas W. Lippman

WASHINGTON — Winning the Nobel Peace Prize has opened doors for Jose Ramos-Horta all across Europe and has not helped him obtain a high-level appointment at the White House.

A member of the National Security Council staff was authorized to talk to him by telephone, Mr. Ramos-Horta said here Tuesday, adding, "I told him it was the diplomatic equivalent of safe sex."

Mr. Ramos-Horta is an exile from East Timor, the former Portuguese colony north of Australia that was invaded and annexed by Indonesia after Portugal gave it up in 1975.

Based in Sydney, Australia, the world-making the case for self-determination for the East Timorese, Catholics who have long resisted the rule of Muslim Indonesia.

Last year, [illegible] East Timor's [illegible] leader, Bishop Carlos Ximenes Belo, who has lived in East Timor, received the Nobel Peace Prize for their work in calling attention to the plight of the region's people.

President [illegible] knowledgeable about East [illegible] Mr. Ramos-Horta [illegible] a meeting with [illegible] Pentagon officials [illegible] students [illegible] U.S. Embassy [illegible] ing Mr. [illegible] done so. Mr. Clinton [illegible] sympathetic.

But Mr. Ramos-Horta [illegible] quest for a [illegible] House with an uncomfortable choice.

Mr. Clinton has drawn criticism from some commentators for granting White House access to big-spending Indonesian campaign contributors while denying a visa to Ramos-Horta, but administration officials said the decision went beyond Mr. Clinton's desire to maintain [illegible] lations with an important Asian economic power.

Mr. Ramos-Horta, who like the Dalai Lama, the spiritual leader of Tibetan Buddhists who has been welcomed at the White House over Chinese objections, administration officials say, is a political activist whose past has been associated with groups promoting violence. One official said, and there has been some question whether he has been sufficiently renounced the Nobel Prize."

Bishop Belo, co-winner of the prize, is a religious figure who lives among his people and would be a more acceptable figure for high-level administration attention, officials said.

Mr. Ramos-Horta last met with Undersecretary of State Timothy Wirth and with John Shattuck, assistant secretary of state for human rights, who has twice visited East Timor to show U.S. concern for conditions there.

He wanted a meeting with Mr. Clinton or a cabinet official on his current visit, administration officials said. But even if the president had declined it was not going to happen because Mr. Clinton, Secretary of State Madeleine Albright and Deputy Secretary of State Strobe Talbott were all out of the country.

"I'll come back," Mr. Ramos-Horta said wryly. "I'll accommodate the schedules."

TRAVEL UPDATE

Louvre Is Free During New Strike

PARIS (AP) — The Louvre opened free of charge Monday during a [illegible] strike.

The museum, [illegible] after a five-day [illegible] million francs ($370,000) in revenue during [illegible]

The [illegible] guards, are demanding [illegible] days off and [illegible]

Washington Adding Museum Ho

WASHINGTON (AP) — Tourists will find a growth spurt among 23 of Washington's major museums and some of the sites, beginning [illegible]

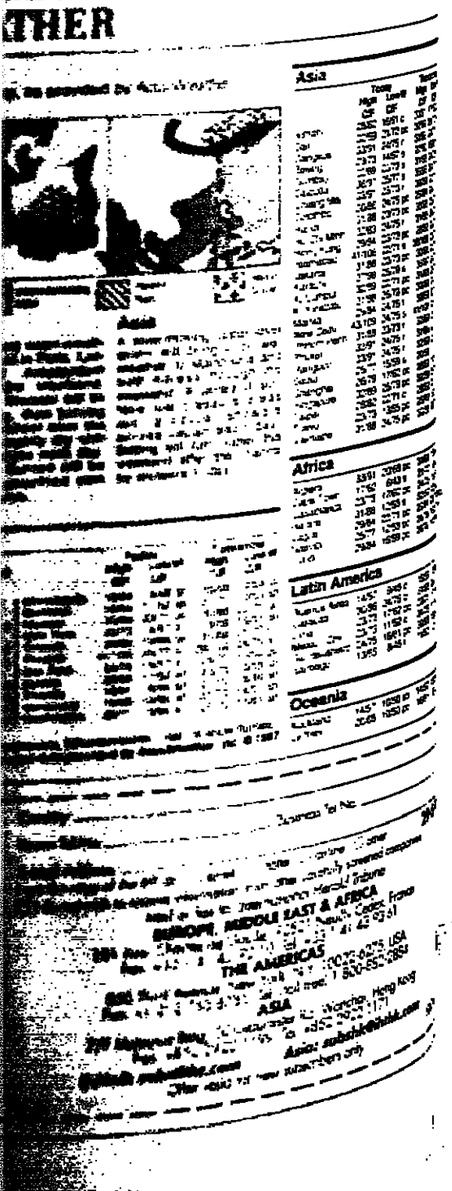
Museums that [illegible] seven days a week during September. Tickets [illegible] be bought at museums [illegible] more than $5 [illegible] are available for one day or $15 for five days. A five-day [illegible] are available for $25.

Buses will [illegible] hour, 10 A.M. to 5 P.M.

Italian air traffic controllers revoked an eight-hour [illegible] nationwide strike that was called for Wednesday. (AP)

Traffic controllers at 17 airports in western Siberia went on strike Wednesday to [illegible] pay wages. (AP)

OTHER



THE AMERICAS

Texas Tornadoes Kill at Least 27

Another 23 Reported Missing Amid Extensive Devastation

The Associated Press

JARRELL, Texas — Rescuers searched through swampy fields Wednesday looking for nearly two dozen people missing after one of several tornadoes devastated this central Texas town. At least 27 were reported killed.

The storm Tuesday leveled about 50 homes and left other evidence of widespread damage, including snapped telephone poles, bits of clothing hanging from fences and a tractor-trailer turned upside down in a field.

The state's deadliest tornadoes in a decade ripped through four counties in central Texas — from Waco to Austin. Jarrell, a town of 1,000 about 40 miles north of Austin, was hit hardest, with the debris so scattered that even compiling a death toll was difficult on Wednesday.

Initially, the authorities said the tornadoes killed 33, including 31 in Jarrell, one person who died in an Austin tornado and another who drowned in a Travis County creek.

But on Wednesday the medical examiner and a hospital said they had only 27 bodies from Jarrell, and another 23 persons were unaccounted for in Jarrell. Five more were missing in Cedar Park, where a grocery store collapsed, injuring at least eight people. At daybreak, up to 150 rescue workers began slogging through fields, knee-deep in water, to look for survivors around Jarrell.

"In disasters we've seen like this before across the country, there have been some miracles, some people found alive after several hours and sometimes a few days," Sheriff Ed Richards of Williamson County said. "We hope to still find somebody alive."

Ray Westphal, manager of a restaurant in Cedar Park about 25 miles away, said he was watching the horizon with others in his parking lot "until the funnel started coming through the sky. As it got closer, building tops were flying around. It was picking cars up into the air, flinging them everywhere."

This is the second time in a few years Jarrell has been struck by a tornado. In 1989, a tornado killed one person and severely damaged or destroyed 35 homes and a dozen mobile homes.

The tornadoes were the state's deadliest since 30 people died and 162 were injured in the West Texas town of Saragosa on May 22, 1987. The two deadliest tornadoes in Texas history occurred in Waco on May 11, 1953, and in Goliad on May 18, 1902. Each storm killed 114 people.

Reuters

Canadian Coast Guard officials talking with an American fisherman on the Christina, a Seattle-based trawler that was seized and then detained at Port Hardy.

U.S. Delays Canada Talks

Seizure of American Boats Stirs Up Salmon Dispute

Reuters

WASHINGTON — The United States has postponed negotiations with Canada over salmon fishing because the authorities in Canada seized four American trawlers.

The State Department announced that negotiations over dwindling salmon stocks in the Pacific Northwest, which had been scheduled to resume Friday, had been postponed "until a more favorable climate for discussions can be achieved."

A State Department official, speaking on condition of anonymity, said, "The Canadian actions are regrettably poisoning the atmosphere."

Canada and the United States have skirmished for years over salmon catches in the Pacific, and the pressure for a deal has been mounting before this year's salmon run begins next month.

The Canadians halted the talks a week ago when the U.S. team said it was not authorized to offer a specific catch reduction. Canada is concerned that American boats are overfishing the salmon stocks as they head through Alaskan waters into Canadian waters to breed.

In a statement from Ottawa on Tuesday, Foreign Affairs Minister Lloyd Axworthy said Canada was acting within its rights under international law and regretted the U.S. postponement, but he added that Canada was prepared to resume negotiations.

When the talks collapsed Canada began re-enforcing a regulation that requires all U.S. fishing boats that pass through Canadian waters to report to the authorities and stow their fishing gear.

The captains of the first three boats appeared in court in Port Hardy, British Columbia, on Tuesday. They pleaded guilty, were fined $222 ($300 Canadian) each and regained custody of their boats, an official of the Fisheries Department said. The fourth boat, from Washington State, was seized off the coast of British Columbia on Tuesday.

POLITICAL NOTES

Gore Defends Clinton On China Trade Policy

NASHUA, New Hampshire — Vice President Al Gore defended President Bill Clinton's decision to re-extend China's trading privileges against criticism that the policy ignores human rights violations. He said the administration was "placing a bet" that economic liberalization there would "build pressures toward political liberalization" for the Chinese people.

Reacting to an attack on the administration's China policy by the House minority leader, Richard Gephardt, Democrat of Missouri, a likely challenger to the vice president for the Democratic nomination in 2000, Mr. Gore said Tuesday that neither he nor the president was satisfied with the pace of China's progress on human rights. "What they choose to do is not entirely in our control," he said. "But the question is, how do we best influence them?"

Mr. Gore offered his defense of the president's policies as he spent the day touring New Hampshire, traditionally the site of the first presidential primary. Throughout the day, Mr. Gore played loyal vice president while looking after his political interests. He refused to comment on the Supreme Court's decision in the Paula Corbin Jones case other than to say it would not deter the president from "doing what he was elected to do," held an anti-smoking event at an elementary school, promoted the economy at the opening of a high-technology facility and spoke to the Nashua Chamber of Commerce annual dinner, often the site of speeches by Republican presidential candidates.

At every stop, he sought to draw attention to New Hampshire's booming economy, noting unemployment has fallen during Mr. Clinton's presidency from about 8 percent to just over 2 percent. He also defended the balanced-budget agreement negotiated by the White House and congressional Republicans as crucial to the continuation of economic growth and investment.

Mr. Gore may not have wanted to talk about presidential politics, but everywhere he went his hosts seemed to bring it up — even at an elementary school in Manchester, where he was greeted by pupils chanting, "We want Gore!" (WP)

Molinari Is Expected To Quit Congress for TV

WASHINGTON — Representative Susan Molinari, Republican of New York, the highest-ranking woman in the House Republican leadership, will leave Congress Aug. 1 to co-anchor a new CBS News broadcast.

Ms. Molinari and CBS News announced the two-hour program, "CBS News Saturday Morning," at a press conference in New York on Wednesday morning. The broadcast is to begin this fall and Ms. Molinari's co-anchor will be named later, the network officials said.

Ms. Molinari's departure from the House means the loss of one of the Republican Party's most telegenic spokespersons. Last summer, the Republican presidential nominee, Bob Dole, picked her to deliver the keynote address at the party's nominating convention in San Diego.

Her decision is also a blow to Republican efforts to broaden its appeal among women and voters in the Northeast, where the party suffered its worst losses in last fall's elections, as they seek to enlarge their majority and capture the White House in 2000.

House leaders, especially Newt Gingrich, Republican of Georgia, have turned to her for advice on reaching out to women voters. In addition, she is among a small group of House Republicans that the majority leader, Richard Armey, has asked for counsel on how to widen his appeal outside conservative circles. (WP)

Quote/Unquote

Vice President Al Gore, visiting New Hampshire, traditionally the site of the first presidential primary, where he argued that talks about presidential politics for the year 2000 are premature: "It's 987 days until the New Hampshire primary — but who's counting?" (WP)

Away From Politics

• **Children who learn violent behavior like hitting,** kicking and shoving can unlearn it in less than six months, researchers said. A study reported in the Journal of the American Medical Association helps dispel the notion that nothing can be done about rising violence among the nation's young people, government experts said. (AP)

• **Cars pulled over after an armored truck** spilled hundreds of thousands of dollars during rush hour in Lincoln Park, Michigan. Police said one person may have sped off with $20,000. The driver of the truck reported hearing a "whooshing" noise as bags containing as much as $600,000 flew out onto Interstate 75. (AP)

• **Scientists in Florida are releasing hundreds of parasitic wasps** in an attempt to wipe out a giant breed of whitefly that is attacking landscape plants. (AP)

• **A former graduate student pleaded guilty** in the slayings of three professors at San Diego State University. Frederick Martin Davidson, 36, is scheduled to be sentenced Aug. 1 to three life terms without the possibility of parole or appeal. (AP)

AMERICAN TOPICS

Bad-Mouthing Food? Beware!

Careful what you say out loud about your *broccoli — someone might be listening.*

In 14 states, food producers can sue anyone found to be spreading false and damaging information about products ranging from hamburger to cantaloupe, and eight other states are considering such laws, reports The Washington Post.

These so-called food-disparagement laws were spawned by incidents in the 1970s and '80s when producers and sellers of chemically treated grapes and apples, among other products, suffered serious losses after negative publicity that later was held to be uninformed.

In a current test case in Texas, an Amarillo rancher is suing the popular talk-show host, Oprah Winfrey, for saying on a program about "mad cow" disease that "it has just stopped me cold from eating another burger." Her comment sent beef prices down for two months, the rancher's attorney contends.

Short Takes

If you've got spurs that jingle-jangle-jingle, consider yourself lucky. Spurs and other cowboy paraphernalia such as holsters, belt buckles and saddles are much-desired objects these days. The past six or seven years have seen "a total explosion" of demand, said Bill Manns, a specialist in things Western.

The result, said Jerry Wallace, a spur maker from Madill, Oklahoma: "Everything just went up ridiculously high." Well-crafted spurs now fetch prices of up to $2,000.

The day after the Supreme Court let stand Baltimore's ban on billboard advertising for tobacco products, a Los Angeles city councilman introduced a similar law.

Then councilmen in cities from New York to Harrisburg, Pennsylvania, did the same. The court's decision last month "was an inspiration to other cities," said Jim Fouts, president of the city council in Warren, Michigan, where legislation for such a ban has been introduced.

The Supreme Court let stand a lower court ruling that extends only to Maryland, Virginia, West Virginia and the Carolinas. The constitutionality of such bans — which proponents say protect the young, but advertisers call an offense to the right of free speech — remains an open question.

Patrick Palmer beat out the competition to become the garbage collector of Bristol, Vermont, because he had what others didn't — a horse and carriage.

Selectmen in the town of 3,900 said it was Mr. Palmer's ability to pick up the trash without the noise or pollution of a truck that won him the job, although one competitor bid $700 less for the post. Mr. Palmer will be paid $15,600 for the year.

Mr. Palmer and his draft horses cover the route at a leisurely pace. It takes them all day to pick up the garbage. If the horses themselves leave anything behind, it gets shoveled up and tossed into the wagon.

International Herald Tribune

The sensation of time

CONCORD®
Watchmakers Since 1908
SWISS

CONCORD
VENETO™
Time as
a tactile
experience...
Eighteen
karat gold:
hand-sculpted,
hand-crafted,
hand-polished.
Exuding an
unmistakable
sense of luxury.
To the touch.
To the eye.

Sahan Joaillerie
Hôtel "Le Warwick"
Paris, France
Tel.: +33 1 45 61 82 09

Chimento S.A.
Geneva, Switzerland
Tel.: +41 22 731 16 51

Hotel Inter-Continental, Paris

EUROPE
AMSTERDAM
ATHENS
BARCELONA
BELGRADE
BERLIN
BRATISLAVA*
BRUSSELS
BUCHAREST
BUDAPEST
CANNES
CRACOW*
EDINBURGH
FRANKFURT
GENEVA
THE HAGUE
HAMBURG
HANNOVER*
HELSINKI
ISTANBUL
LEIPZIG
LISBON
LJUBLJANA
LONDON
LUXEMBOURG
MADRID
MONTREUX
MOSCOW
MUNICH*
NICOSIA*
PARIS
PORTOROZ
PRAGUE
ROME
STUTTGART
TASHKENT
VIENNA
WARSAW
ZAGREB
ZURICH
AMERICAS
BOGOTA
BUENOS AIRES
CALI
CANCUN
CARACAS
CARTAGENA
CHICAGO
CIUDAD GUAYANA
COZUMEL
GUADALAJARA
IXTAPA
LOS ANGELES
LOS CABOS
MANAGUA
MARACAIBO
MEDELLIN
MEXICO CITY
MIAMI
MONTREAL
NEW ORLEANS
NEW YORK
PANAMA CITY
PUERTO VALLARTA
RIO DE JANEIRO
RIO NEGRO*
SAN FRANCISCO
SAN JOSE PURUA
SANTO DOMINGO
SAO PAULO
TORONTO
VALENCIA
WASHINGTON, D.C.
ASIA PACIFIC
BALI
BANGKOK
BROOME
CHENGDU
COLOMBO
JAKARTA
KUALA LUMPUR
MANILA
NEW DELHI
PHNOM PENH
QINGDAO
SEOUL
SHENZHEN*
SINGAPORE
SYDNEY
TAIPEI
TOKYO
YOKOHAMA
MIDDLE EAST
ABHA
ABU DHABI
AL AIN
AMMAN
BAHRAIN
BEIRUT
CAIRO
DUBAI
HURGHADA
JEDDAH
JUBAIL
MAKKAH
MUSCAT
PETRA*
RIYADH
SHARM EL SHEIKH
TAIF
AFRICA
ABIDJAN
CAPE TOWN
DURBAN
FRANCEVILLE
JOHANNESBURG
KINSHASA
KRUGER NATIONAL PARK
LIBREVILLE
LUSAKA
NAIROBI
VICTORIA FALLS

*FORUM HOTEL

Insight into a city takes decades to acquire and just a moment to share.

One World. One Hotel.
Uniquely Inter-Continental.

INTER-CONTINENTAL®
HOTELS AND RESORTS

www.interconti.com

Indonesia's Military To Seek Increased Role

Army Keeps Low Profile During Vote

By Michael Richardson
International Herald Tribune

JAKARTA — After a period of declining influence, the military in Indonesia is set to re-establish its position as a key arbiter of political power.

Scenes of security forces battling to control clashes between supporters of rival parties in campaigning for legislative elections scheduled for Thursday were broadcast around the world, giving the impression of a police state.

But Western observers said Wednesday that the Indonesian military had acted with restraint in a volatile situation where the use of lethal force could have resulted in worse rioting.

Although at least 260 people died in the 27-day campaign period, most if not all were killed in motorcade accidents, arson attacks or clashes between rival political factions.

"To our knowledge, none of the fatalities were caused by police or soldiers shooting people," a Western diplomat said. "We think the armed forces have been very restrained and disciplined."

A Western defense attaché said that only when the most serious violence flared in the last week of the official campaign period that ended last Friday, were soldiers sent in to support riot police. Even then, the attaché said, only blanks and rubber bullets, not live ammunition, were used.

But Indonesian and Western analysts said they did not expect such restraint to last beyond the election, the results of which are not expected until Friday. They said the upsurge of lawlessness before and during the campaign, and uncertainty over the succession to President Suharto, a former army general who has ruled the country for over 30 years with military support, have brought the armed forces back to center stage again. For a time, they had lost some power to civilians from the country's emerging middle class.

Mr. Suharto, who is 75, has not said whether he will seek another five-year

NEWS ANALYSIS

mandate as president in March 1998, but even if he is re-elected it is likely to be his last term in office.

"People now understand that although the military may have a heavy and manipulative hand at times, if it does not hold the ring everything could erupt," the Western defense attaché said Wednesday.

Since the 1950s, the armed forces in Indonesia have had a dual role: to defend the country from external attack or subversion; and to act as an internal stabilizing force to help maintain national unity and economic growth.

Officially, the 400,000-strong military, which includes the police, is a neutral referee in the elections, although it established the governing Golkar party in 1964 and continues to have close links with it.

Police officials, meantime, said the country had been placed on a security alert Wednesday to prevent possible unrest during or after Thursday's elections, Agence France-Presse reported. Some 25,000 police and soldiers were said to have been deployed in Jakarta.

"The alert has been ordered for all of Indonesia's provinces," said Colonel Bambang Haryoto, a spokesman for the national police. "We have done this so that the voters feel secure, and also in anticipation of possible problems."

In Banjarmasin in South Kalimantan — where the worst violence of the campaign occurred Friday when at least 123 people, mainly looters trapped in a shopping mall set ablaze by arsonists, died — the military commander was quoted in the Indonesian press as warning that troops would shoot on sight as a "last option" to maintain order in the city.

Denying rumors that the armed forces had deliberately allowed the violence to spread to show how indispensable they were, Lieutenant-General Syarwan Hamid, the military's chief of sociopolitical affairs, said recently that if the armed forces really wanted to create trouble "all we have to do is sleep for two days." He added that the military had been deployed "to find the wisest ways to safeguard the elections."

P. Manuel Cuesta/Agence France-Presse

Police patrolling Wednesday in Banjarmasin, Indonesia, as security was reinforced for Thursday's vote.

Although the military has close ties to Golkar, serving members of the armed forces are not allowed to vote. Instead, in the upcoming elections, 75 places in the 500-seat House of Representatives, or Parliament, will be reserved for military officers, leaving the remaining 425 seats to be carved up between the three parties authorized to contest the elections, including Golkar, which is expected to receive two-thirds of the popular vote.

In the past few years, as an increasingly large and assertive professional and business class has emerged in Indonesia's cities, the traditional political role of the military has diminished, making way for increasing civilian rule.

For example, in the outgoing Parliament, the military had the right to appoint 100 representatives, 25 more than in the new legislature. Its representation in cabinet and the top echelons of the central and provincial bureaucracies has also fallen significantly in recent years.

A study by the National Institute of Sciences that was commissioned by President Suharto in 1995 recommended earlier this year that the political role of the armed forces be largely eliminated by the year 2007 to promote a strictly professional military and civilian control of government and politics.

But Juwono Sudarsono, vice governor of the National Resilience Institute, an arm of the defense and security department, said that it would take at least a decade for a large enough middle class to emerge in Indonesia to support a civil society. In the meantime, he added, the armed forces were "the only institution that can hold the country together on a nationwide basis."

Taleban Loses Northern City In Fierce Fight With Ex-Ally

By Kenneth J. Cooper
Washington Post Service

MAZAR-I-SHARIF, Afghanistan — After a night of fierce street battles, forces loyal to General Abdul Malik took control Wednesday of this provincial capital from the Taleban Islamic militia, unilaterally breaking a potent military alliance that lasted only a week.

The defeat of Taleban in the unexpected outbreak of factional fighting cast doubt on the fundamentalist militia's ability to control the north, which had functioned as a ministate for the last five years.

General Malik's quick, violent turning on a new ally that he had embraced just last week — following the general's defection from the camp of General Abdul Rashid Dustam — once again demonstrated the volatility of Afghanistan's ethnic-based factions.

The fearsome night of fighting, with undefined front lines and combatants whose identity was not certain until Wednesday morning, was the biggest battle in what had been a refuge during two decades of civil war in Afghanistan.

More than 300 Taleban fighters were killed in a 16-hour battle that began Tuesday afternoon when General Malik's troops launched surprise attacks. The general's forces continued pounding Taleban with tanks and rocket-propelled grenades for several hours after sunrise Wednesday morning.

The lightly armed Taleban force of 3,000, which arrived in Mazar-i-Sharif on Sunday and Monday, was outnumbered and outgunned. Taleban fighters retreated a half-hour's drive to the southwest or hid in the city, resulting in sporadic gunfire later in the day as General Malik's troops conducted search operations.

A top deputy to the general said he was confident the northern soldiers would quickly take unchallenged control of the dusty city, although a convoy of a hundred Taleban vehicles was reportedly seen Wednesday afternoon on the road from Pol-i-Khomri, about 175 kilometers (110 miles) to the southeast of Mazar-i-Sharif.

The United Nations and aid organizations made plans to evacuate expatriate staff members and foreign journalists in a convoy to the border with Uzbekistan, at Termez.

The defeat on Wednesday, the worst for Taleban since October, came as the fundamentalist regime was close to unifying the country and was bidding for international recognition on that basis. Pakistan and Saudi Arabia this week became the first countries to recognize the Taleban regime, which had claimed to control about 90 percent of the mountainous country.

But General Malik's double-defection left Taleban with a tenuous grip on at least five northern provinces. The reason for his reversal was unclear, although local residents had expressed resentment about taking Islamic orders from an ethnic Pashtun militia based in the distant south.

Australian Factions Wrangle Over Aborigine Reparations

Reuters

CANBERRA — Prime Minister John Howard rejected calls Wednesday for compensation payments to generations of aborigines taken from their parents during decades of forced assimilation by whites.

"This is asking one generation to accept legal responsibility for the acts of earlier generations," Mr. Howard said to Parliament in an emotional debate that brought Kim Beazley, leader of the opposition, to tears.

"Once a nation begins to go down that path, there is in fact no end," the conservative prime minister added.

The debate came as a landmark reconciliation conference ended in Melbourne with a warning that racial harmony could not be achieved without the country's 200-year-old land conflict first being resolved.

Aboriginal leaders also called for a government apology and compensation to the tens of thousands of children uprooted under the assimilation policy, which was labeled genocidal this week in a report from Australia's Human Rights Commission.

The forced assimilation practice, which was justified at the time as child welfare, stopped only in the 1960s.

The parliamentary Labor opposition has joined the call for compensation, and Mr. Beazley cried as he moved in Parliament to establish mechanisms for compensation and asked the government to apologize to the "stolen generation."

Mr. Howard used his numerical strength in Parliament to vote down the motion. But conservative parties in two states — Western Australia and South Australia — voted for official apologies to be made. The Labor-led New South Wales legislature has already issued an apology.

Mr. Howard offered a personal apology, but his opponents demanded a formal expression of national regret.

Mr. Beazley said the rights commission's report had told of children taken from their families and exposed to sexual and physical assault.

BRIEFLY

UN Ends 'Boat People' Mission

HANOI — The final UN flight of "boat people" arrived in Vietnam on Wednesday, bringing the two-decade saga of the refugees closer to its conclusion.

It was not the end of the drama that began in 1975 with the fall of Saigon — several thousand Vietnamese refugees remain in Hong Kong — but it was the end of United Nations efforts to peacefully repatriate the boat people on a voluntary basis.

The final repatriation flight arrived in Hanoi carrying 93 Vietnamese who had unsuccessfully sought asylum elsewhere. The Hanoi flight had been one of three Wednesday, bringing home a total of 245 Vietnamese. *(AP)*

Burmese Forces Prevent Meeting

RANGOON — Security forces remained around the home of Daw Aung San Suu Kyi to stop members of her National League for Democracy from gathering to mark the anniversary of its unrecognized 1990 election victory, the military government said Wednesday.

"The order that only certain people can enter Suu Kyi's house remains in place and we don't think the NLD members will attempt to hold any gatherings," a government spokesman said.

Thwarted on the first day of its planned two-day meeting on Tuesday, the National League for Democracy slammed the ruling State Law and Order Restoration Council for its blockade. "Although the SLORC has said it will build the nation under a democratic system, their actions are contrary to building democracy," the party said. *(Reuters)*

Indian Party Race Heats Up

NEW DELHI — Former Defense Minister Sharad Pawar entered the leadership race of India's Congress (I) Party on Wednesday, intensifying a power struggle in the country's oldest political machine.

"The Congress is fighting for its existence. There is a crisis of both leadership and credibility," Mr. Pawar said at a press conference after filing his nomination to challenge the party's current president, Sitaram Kesri.

Mr. Pawar was preceded by another would-be Congress leader, former junior Home Minister Rajesh Pilot, who filed his papers on Tuesday to run in the leadership vote to be held on June 9. *(Reuters)*

For the Record

Sri Lankan warships and planes on Wednesday sank seven gunboats in a Tamil rebel convoy carrying reinforcements against an army offensive. At least 21 guerrillas were killed, military officials said. Another 16 rebels were killed on the ground, they said. *(AP)*

Some 59,000 tons of food donated by governments of different countries and international organizations through the World Food Program has arrived in North Korea, Pyongyang said Wednesday. *(AFP)*

Announcements

BAREME AS 24
AU 29 MAI 1997
Prix Hors TVA en devise locale
(traduction disponible sur demande)
Remplace les baremes anterieurs

FRANCE (zone C) en FF/l - TVA 20,6%
GO: 3,72 FOD*: 2,26
SCS?: 5,43 SCSP: 5,22

UK en /l - TVA 17,5% (fioul 6%)
GO: 0,5254 FOD*: 0,3478

ALLEMAGNE (zone I) DM/l - TVA 15%
ZONE I - G :
GO: 1,07
ZONE II - I :
GO: 1,05 SCSP: 1,443
ZONE III - F :
GO: 1,02 SCSP: 1,39
ZONE IV - F :
SCSP: 1,39
ZONE IV - G :
GO: 1,05 FOD: 0,61

BELGIQUE en FB/l - TVA 21%
GO: 22,07 FOD: 10,66
SCS?: 33,22 SCSP: 31,24

HOLLANDE (zone2) NLG/l - TVA 17,5%
GO: 1,249 FOD: 0,755
SCS?: 1,796 SCSP: 1,733

LUXEMBOURG en LUF/l - TVA 15%
GO: 22,00

ESPAGNE (zone A) en PTAS/l-TVA 16%
GO: 83,53
SCS?: 101,98 SCSP: 102,84

* Usage reglementé

Attention visitors from the U.S!

If you enjoy reading the IHT when you travel, why not also get it at home? Same-day delivery available in key U.S. cities

Call (1) 800 882 2884
(In New York call 212 752 3890)
Herald Tribune
THE WORLD'S DAILY NEWSPAPER

FEELING low? - having problems? SOS HELP crisis-line in English. 3 p.m - 11p.m. Tel: Paris (01) 47 23 80 80

Auto Rentals

RENT AUTO DERGI FRANCE
WEEKEND: FF500. 7 DAYS: FF1500.
TEL: PARIS +33 (0)1 43 68 55 55.

Legal Services

DIVORCE IN 1 DAY. No travel. Write: Box 377, Sudbury, MA 01776 USA. Tel: 508/443-8387, Fax: 508/443-0183.

Business Opportunities

OFFSHORE BANKS
COMPANIES & TRUSTS
IMMIGRATION/PASSPORTS
Banking-Accounting-Secretarial
Vat Registration-Invoicing
Mail-Phone-Fax Services Worldwide
Aston Corporate Trustees
19 Peel Road, Douglas, Isle of Man
Tel: +44 (0) 1624 626591
Fax: +44 (0) 1624 625126
London
Tel: +44 (0) 171 233 1322
Fax: +44 (0) 171 233 1519
E Mail: aston@enterprise.net

IRISH NON-RESIDENT COMPANIES $350
Ideal tax-avoidance vehicles:
Low profile, tax free European. Suitable for trading, consultancy & other activities. For immediate service contact:
Ellish Murphy, Director, Sovereign Company Services, 56 Fitzwilliam Square, Dublin 2, Ireland.
Tel: + 353 1 6618490 Fax: 6618493

OFFSHORE COMPANIES. For free brochure or advice Tel: London 44 181 741 1224 Fax: 44 181 748 8558/8338 www.appleton.co.uk

OFFSHORE COMPANIES
OCRA WORLD WIDE
* 750 READY MADE CO'S AVAILABLE
* FULL ADMIN & ACCOUNTING
* BANKING AND TRADE SERVICES
* TELEPHONE & MAIL FORWARDING
* CHINA BUSINESS SERVICES
Please contact Bart Dekker, MD
OCRA ASIA LIMITED
24-02 Bank of America Tower
12 Harcourt Road, Central, Hong Kong
Tel: 852 25220172 Fax: 852 25215399
E-mail: OCRA@OCRA.COM.HK
Web pages: WWW.OCRA.COM

Telecommunications

faxaway
email-to-fax/broadcast services
Low Cost
Faxing
via the Internet
SAVE MONEY!
Increase Efficiency!
Rates
UK 10 cents UK 29 cents
France 39 cents
* Six Second Billing
* AT & T Quality
A Service of
kallback
417 2nd Ave W.
Everett, WA 98119
Where Standards are Set, not Met!
Tel: 1.206.301.7000
Fax: 1.206.301.7500
Email: info@faxaway.com
www.faxaway.com
Come See Us at Net '97
Palais Des Congres, Paris, France
June 3-5, 1997

Business Services

YOUR OFFICE IN LONDON
Bond Street - Mail, Phone, Fax, Telex
Tel: 44 171 290 9000 Fax 171 498 7517

GENEVA
SWITZERLAND
Full Service
is our Business
* International law and taxes
* Mailbox, telephone, telex and telecopier services
* Translation and secretarial services
* formation, domiciliation and administration of Swiss and foreign companies
* Furnished offices and conference rooms for daily or monthly rental
Full confidence and discretion assured.
BUSINESS ADVISORY
SERVICES S.A.
7 Rue Muzy, 1207 GENEVA
Tel 736 05 40, Tlx 413222, Fax 786 06 44

Business Travel

1st/Business Class Frequent Travellers Worldwide. Up to 50% off. No coupons, no restrictions. Imperial Canada Tel: 1-514-341-7227 Fax: 1-514-341-7998. e-mail address: imperial@login.net http://www.login.net/imperial

Capital Available

COMMERCIAL/BUSINESS FINANCE available for any viable projects worldwide. Fax brief synopsis in English to Corporate Advances, (+)44-1273-621300.

Serviced Offices

Your Office in Germany
we are "at your service"
* Complete office services at two prestige addresses.
* Fully equipped offices for short term or long term.
* Internationally trained office and professional staff at your disposal.
* Can be legally used as your corporate domicile for Germany/Europe.
* Your business operation can start immediately.
* Since 1972.
Latco Business Services GmbH
Latco-Haus am Holzhausenpark
Justusstrasse 22,
60322 Frankfurt am Main
Germany
Tel: (69) 955150
Fax: (69) 595770

Real Estate for Rent

Paris Area Furnished

AGENCE CHAMPS ELYSEES
Specialists:
Furnished apartments, 3 months or more or unfurnished, residential areas.
Tel: +33 (0)1 42 25 32 25
Fax: +33 (0)1 45 63 37 09

Paris Area Unfurnished

7th, 83 AVE BOSQUET, NEW From studio to 7 rooms, terraces. Visit 11am - 7pm or (0) 1 43 06 41 05

Embassy Service
YOUR REAL ESTATE
AGENT IN PARIS
Tel: +33 (0)1 47.20.30.05

Switzerland

GENEVA, LUXURY FURNISHED apartments. From studios to 4 bedrooms. Tel: +41 22 735 6320 Fax +41 22 7362671

Employment

General Positions Wanted

WOMAN, 25, French-English-Italian, gives assistance/aide for your commercial projects, travel in Brussels +32.75.81.50.02

Travel for Knowledge

YOGA/SHIATSU RETREAT, JUNE in Corsica France. American bilingual instructor. Fax: +33-(0)495-203896.

TO PLACE AN AD IN THE Herald Tribune
Contact the Paris office:
Tel.: (33-1) 41 43 93 85
Fax: (33-1) 41 43 93 70
E-mail: classified@iht.com

Escorts & Guides

BELGRAVIA
ORCHIDS
LONDON - PARIS
THE FINEST & THE MOST SINCERE 18 - 36+ INTERNATIONAL BEAUTIFUL & ELEGANT STUDENTS SECRETARIES, AIR HOSTESSES & MODELS + AVAILABLE AS YOUR COMPANION 24HRS SERVICE WORLDWIDE Escort Agency Credit Cards Welcome
TEL: LONDON ++ 44 (0)
0171 589 5237

ROYAL PLATINUM SERVICE
ATLANTIC
LONDON PARIS NEW YORK
Switzerland Benelux Cote d'Azur
INTERNATIONAL ESCORT SERVICE
++ 44 (0) 7000 77 04 11/22
kiss@at-star.com

Male Escort Service
for Ladies in London
Tel: 0802-624722

CHIC-VIP
INTERNATIONAL ESCORT SERVICE
LONDON PARIS NEW YORK
Cote d'Azur Germany Prague
++ 44 (0) 7000 24 28 91
info@chic-vip.com

INTERNATIONAL ESCORTS
World's First & Most Exclusive Service
Models, Beauty Queens, Actresses
Multilingual Travel Companions
Hdqtrs. 212-765-7896 NY, USA
office@intl-escorts.com
Rated "Best in New York" by New York Magazine. Service worldwide.

SWITZERLAND-GERMANY-BELGIUM
++31-20-427 28 27
Zurich-Geneva-Basel-Berne-Frankfurt-Mainz-Wiesbaden-Cologne-Bonn-Dusseldorf-Munich-Berlin-Brussels-Antwerp + A: Vienna
LONDON: (0)171-978 6606
COSMOS Escort Agency - Credit Cards

VENUS IN FURS
24HR WORLDWIDE ESCORT SERVICE
LONDON 0171 362 7000
All cards. Advance bookings welcome

LATIN BEAUTY
PRETTY FRIENDLY PRIVATE
ESCORT SERVICE
LONDON 0956 307 404

"GUYS & DOLLS ESCORT SERVICE" MILAN"ROME"ITALY"LONDON"PARIS BRUSSELS"LUGANO"MADRID"MUNICH D'DORF"FFURT"BERLIN"VIENNA"LYON COTE D'AZUR"MARBELLA"MAJORCA TOKYO"SCANDINAVIA"LUXEMBOURG Tel +39 (0) 338 852 3788 Credit Cards

GLAMOUR INTERNATIONAL
LONDON ESCORT SERVICE
0171 724 0771

HEIDI'S HIGH SOCIETY"VIENNA"PARIS COTE D'AZUR"ZURICH"GENF"MUNICH International Escort & Travel Service Vienna ++43-1-5354104 all credit cards

******** EUROCONTACT INT'L ********
Top local & travel service worldwide PARIS"STOCKHOLM"GENEVA"ZURICH RIVIERA"BRUSSELS"LONDON"VIENNA MILAN"ROME"all GERMANY & USA Escort Service Vienna ++43-1-212 0431

SILVER STAR ESCORT AGENCY
TEL: ++ 44 (0) 7000 74 57 87
EMAIL: info@silstar.com

MILAN * JULIA * +39 (0)348257767 BEAUTIFUL SOPHISTICATED LOVELY 24 Escort/Int'l travel service for elite

CHELSEA ESCORT SERVICE
51 Beauchamp Place, London SW1
Tel: 0171-584 8513

ANGELIQUE "" VIP Escort Service London 0171 589 9540 Credit cards accepted late night

AMSTERDAM * DREAMS * ESCORTS and Dinner Date Service for Him or Her. Tel: +31 (0) 20-64 02 666 / 64 02 111

BELGIUM UNFORGETABLE
Escort Service. 24/24
Tel. 03/326.04 05

EBONY & IVORY Escort Service of Heathrow & London. Exquisite young ladies. 24 hour service available. Tel: 0181 707 3767

GENEVA PRETTY WOMAN
BASEL, LAUSANNE, MONTREUX
Call 022 / 348 00 69 Escort Agency
Credit cards accepted

BERN, BASEL, ZURICH
Escort Service.
+977/68 55 05. All cards.

BLACK BEAUTY ESCORT SERVICE
Exclusive Elegant Educated & Friendly
London & Heathrow, 01819062261.Cards

EMMANUELLE'S ESCORT SERVICE
"" FRENCH SPEAKING ""
LONDON 0171 262 2686 All Cards

EXLUSIVE ESCORT SERVICE London
Beautiful & Elegant 24 HOURS
TEL: 0374 988 675

"GENEVA"PARIS"
BUTTERFLY Escort Service
Tel. 022 / 731 90 81

GABI'S ESCORT-GERMANY,Swiss,UK
Frankfurt-Cologne-Zurich-Basel-London
Tel: Germany ++49 (0) 171-5311805

MORRISON CLUB - VIENNA ESCORT
Service 5., Rechte Wienzeile 2a
0222/586 86 84

"TOP TEN" FRANKFURT
Elegant Escort & Travel Service
Please call 069 - 597 4338

VALENTINES INTERNATIONAL
VIP Escort Service photos to view central London office 0171 935 0005 all cards

WARSAW MODEL ESCORT
AND TRAVEL SERVICE. Call
+48 22 671 08 48 or +48 602 22 41 45

"ZURICH * CAROLINE"
Escort Service
Tel: 01 / 261.49.47

ASIAN * PERSIAN * ORIENTAL & CONTINENTAL Escort Service London Tel: 0956 223317 24 hrs Credit Cards

EUROPE

Chirac Struggles to Unite Right for Runoff

By Joseph Fitchett
International Herald Tribune

PARIS — Four days from French parliamentary elections, there were few signs Wednesday that President Jacques Chirac was pulling together rival conservative factions for a last-minute offensive.

"The right remains divided and uneasy," read the main headline in the newspaper Le Monde the day after Mr. Chirac warned that a Socialist government would weaken France by causing economic stagnation and political confusion. The theme was reiterated more bluntly in a statement Wednesday after the outgoing government's final cabinet meeting.

The Socialist leader, Lionel Jospin, dismissed the presidential appeal for a renewed conservative majority in voting Sunday, saying that Mr. Chirac had apparently failed to get the message in the first round of voting when French voters last weekend gave the lead to a leftist alliance.

"French people don't want more of the same from a new team of the same people," Mr. Jospin said. "They want a new policy."

Jospin aides said that many voters liked the prospect of a leftist government working under a conservative president at a difficult moment because they did not want to see all branches of government in the hands of a single party. Such a situation is known here as "cohabitation."

Leaders of the center-right coalition pressed home Mr. Chirac's theme that conservatives need enough power to push through changes to bring greater economic vitality, impose strong law and order and maintain France's international position as a country shaping European political and monetary integration.

To rebut charges that Socialist foreign policy is naive, Mr. Jospin released a joint letter with Oskar Lafontaine, the leader of the German Social Democrats, saying that both parties wanted to change the criteria for a single European currency to promote faster economic growth and more jobs.

Conservatives are clinging to their hopeful line that the final round will see voters shy away from a leftist government. "The Socialists offer the same recipes that were tried in the 1980s and massively rejected in 1993," former Prime Minister Edouard Balladur said, referring to the last parliamentary election, which produced a conservative landslide in response to mounting unemployment and corruption scandals under President Francois Mitterrand.

And Nicolas Sarkozy, one of the few conservatives to be re-elected to Parliament in the first round, said: "Voters are like customers: If you disappoint them, they don't come back."

This restlessness in the French electorate, he said, made it hard for a governing party to win by telling people "not to expect the moon."

In contrast, the Socialists have been avoiding specifics about how they would cushion social and economic change. Instead, they are hammering at the theme of divisions in the conservative camp, contending that Mr. Chirac dumped Prime Minister Alain Juppe this week in an act of electoral panic. Mr. Juppe announced that he would resign no matter what the outcome of the runoff.

The Socialist tactics are a leaf from the script used by Tony Blair, the British prime minister, in the closing phase of his campaign last month. But some conservatives agree with the assessment that Mr. Chirac has acted too late in designating a new conservative to embody the presidential agenda.

"He is already starting to act as if cohabitation had begun," the leftist newspaper Liberation said Wednesday.

Conservative leaders said that Mr. Chirac had been right in cautiously avoiding any dramatic challenge that would have made it politically impossible to stay in office if voters defeat his conservative supporters. And by not designating an individual favorite in his speech, Mr. Chirac ensured that the main leaders will go all out in an effort to emerge as the best vote-getter and the heir to Mr. Juppe, no matter how the vote turns out.

The price of Mr. Chirac's approach is that he does not have the leverage, or perhaps the time, to impose a united front on the contending factions, which have been co-existing uneasily for the last two years.

"Part of our problem is that our differences about what to do have been singled out as a division and source of weakness whereas in fact our different approaches are not contradictory but complementary and a source of strength," Philippe Seguin said Wednesday.

To prove his point, Mr. Seguin, a contender for Mr. Juppe's position, has joined forces for an electoral rally with Alain Madelin, a man at the opposite end of the conservative ideological spectrum.

Mr. Seguin, a left-wing Gaullist, advocates a strong government role in providing social protection and has doubts about European integration, while Mr. Madelin, an advocate of a single European currency on the current German terms, is France's leading free-marketeer and an advocate of Thatcherlike shock treatment to liberalize the French economy.

If they could work in tandem, the pair would offer a combination of greater scope for private initiative and concern to help weaker segments of French society.

But that experiment was not tried by Mr. Chirac — and now may never be tested.

Francois Mori/The Associated Press

President Jacques Chirac smoothing his hair while waiting for participants of the NATO talks in Paris.

Early Vote Is Likely In Turkey, Ciller Says

Reuters

ANKARA — The deputy prime minister of Turkey, Tansu Ciller, said Wednesday that early elections were likely amid a rift in the governing coalition over Islamist activism.

"An agenda with elections at the top of it has emerged," she said at a meeting of her True Path Party's members of Parliament. "The solution is with the people."

Prime Minister Necmettin Erbakan's government has been crumbling since the army began pushing it to crack down on Islamist activism in February.

At a series of meetings, the True Path Party will debate pulling out of the government. "Our party's bodies will meet in the days ahead and everything will become clear," Mrs. Ciller said.

Turkish media said that Mrs. Ciller would ask the party for the authority to demand that Mr. Erbakan hand over power to her soon to take the country to early elections. They are due by 2000.

Mr. Erbakan and Mrs. Ciller, who is also foreign minister, are due to swap jobs next year under a power-sharing deal.

But Mrs. Ciller argues that she can deflect the army's wrath from the government if she takes over as prime minister earlier and promises elections next spring.

The secularist generals have declared their fight against Islamists to be a matter of "life or death" for Turkey.

Their pressure has forced three True Path ministers and a handful of members of Parliament to quit the party in the last month.

The government now has a parliamentary majority on paper of just one, but vacant seats give it a larger margin.

It needs a simple majority in Parliament to call early elections.

BRIEFLY

U.S. Presses IRA on Talks

THE HAGUE — The United States has stepped up pressure on the Irish Republican Army to declare a cease-fire, arguing that the election of a Labour government under Prime Minister Tony Blair presented a new opportunity to address the conflict in Northern Ireland, senior U.S. officials said on Wednesday.

One official said that a top foreign policy adviser to President Bill Clinton had made the point in telephone calls to Gerry Adams, the leader of the IRA's political wing, Sinn Fein, and Martin McGuinness, Sinn Fein's chief negotiator. *(Reuters)*

More and More People

PARIS — World population continues to grow rapidly, with more than 81 million people born every year, although the rate of growth is slowing, the United Nations Population Fund said in its annual report Wednesday.

Global population is currently 5.8 billion and will reach 6 billion around 2000, the report said. It will grow to 8 billion in 2025. *(AFP)*

Workers March in Brussels

BRUSSELS — Several thousand European labor union members marched near European Union offices on Wednesday to show support for increased workers' rights. Organizers said the protests — marking the European Day for Employment — were designed to pressure EU leaders to include a section on workers' rights in the constitution governing the 15-nation bloc. *(AP)*

U.S. Criticizes Slovakia Vote

WASHINGTON — The State Department has criticized the Slovak government for its conduct in a weekend referendum. The two-day referendum was widely boycotted after Prime Minister Vladimir Meciar restricted it to voter preferences on NATO membership. It was supposed to have been a two-pronged poll on NATO membership and how to elect the president. *(AP)*

Why Is Yeltsin Not Getting Off to a New START?

By David Hoffman
Washington Post Service

NEWS ANALYSIS

MOSCOW — President Boris Yeltsin's surprise gesture to NATO leaders, promising to retarget Russian nuclear missiles aimed at their countries, was a largely symbolic move that had already been agreed to by the United States and Russia.

But Mr. Yeltsin's flourish obscured a deeper puzzle back at home: He has barely lifted a finger to complete action on a far more significant and deep reduction in nuclear weapons, the second Strategic Arms Reduction Treaty, known as START-2.

He signed the treaty with George Bush in 1993, it was ratified by the U.S. Senate last year and Mr. Yeltsin has repeatedly promised to push ratification through Russia's hesitant lower house of Parliament, the State Duma. He renewed that promise at his meeting in Helsinki with President Bill Clinton in March.

Moreover, ratification could unlock still deeper cuts in nuclear weapons, since Mr. Yeltsin and Mr. Clinton have agreed that once the START-2 treaty is in force, they will begin negotiations on lower levels in a new START-3 agreement. START-2 set ceilings of 3,000 to 3,500 warheads for each side, which would drop to 2,000 to 2,500 in START-3. The lower levels would help alleviate financial problems that Russia faces in carrying out the earlier accord.

But the START-2 treaty languishes and Mr. Yeltsin has done little to advance it, according to some backers in Parliament and outside analysts. The pact faces strong opposition from nationalists and Communists, aggravated by resentment over the expansion of NATO. But these officials said that Mr. Yeltsin, contrary to his promises to the West, has not even begun the process that would be necessary for ratification.

"If you look at the Duma, when Yeltsin really pushes, they lay down like a puppy dog," said a Western diplomat familiar with the Parliament. "If Yeltsin put some oompf behind it, there is a reasonable chance it might get through. His intentions are clear, but what's lacking is urgency."

So far, he added, "absolutely nothing has happened."

Alexei Arbatov, deputy chairman of the defense committee and a member of the centrist Yabloko bloc in the Duma, said that Mr. Yeltsin would carry considerable weight if he chose to lobby Parliament for START-2.

"The only thing required is the coordinated action of the executive branch, foremost by President Yeltsin," Mr. Arbatov said. "I'm convinced it would suffice for Yeltsin to use one hour, picking up the receiver from his hot line and calling all the chairmen of the factions and chairmen of the committees and asking them personally to support START-2.

"And then I think the Duma would go for it. Maybe it would be marginal, but it would vote for it. In the present situation, the Duma is extremely vulnerable. If Yeltsin really wanted to deliver, he could bring START-2 to ratification within several days." Mr. Arbatov said the fate of the treaty was partly tied up in the debate over the NATO agreement, which Mr. Yeltsin has decided to submit to the Duma.

If the NATO agreement is rejected, he said, the arms treaty "has no chance." But if the NATO document is accepted, even with reservations, the START-2 treaty might win approval as well, he predicted.

Mr. Arbatov said Parliament had long sought a Kremlin plan about how the treaty would affect Russia's strategic forces. He said the plan had been drafted by the Defense Ministry but not submitted to the Duma — lacking a green light from Mr. Yeltsin.

In Helsinki, the United States made some concessions designed to pave the way for START-2 ratification, including a longer timetable for deactivation of warheads and elimination of missiles, which would help ease Russia's cash problems. Mr. Arbatov called the concessions "a very positive step," but they have not even been discussed in Parliament.

Mr. Yeltsin's delay on START-2 has been partly due to his long illness. Also, said a political analyst, Andrei Kortunov, Mr. Yeltsin does not feel pressure at home to act on the treaty.

"I'm not sure that START-2 is a matter of Yeltsin's own political survival," he said. "Especially because he promised Clinton, I think he'll try to get it through, but he will not invest all his political capital in it."

Southern Africa Trade & Investment Summit

Botswana, November 18-19, 1997

President Ketumile Masire and fellow heads of state from the region will lead discussion at the International Herald Tribune's third Southern Africa Trade & Investment Summit to be held in Gaborone on November 18-19. The Presidents will be joined by business and finance leaders from the region, as well as renowned international figures and senior representatives from some of the world's leading companies currently investing in Southern Africa.

As last year's highly successful summit in Harare was oversubscribed, to ensure you are able to take part we suggest you contact our conference office as soon as possible for further details:

Fiona Cowan, International Herald Tribune Conference Office
63 Long Acre, London WC2E 9JH
Tel: (44-171) 836 4802 Fax: (44 171) 836 0717 E-mail: fcowan@iht.com

International Herald Tribune
THE WORLD'S DAILY NEWSPAPER

Poisson géant ajouré, 1932
Edouard Marcel Sandoz

We believe in true values.

The kind you collect.

And the kind you invest in.

We cordially invite you to admire a varied selection of works by Edouard Marcel Sandoz, on display at our premises until the end of September. Above and beyond its symbolic value, this exhibition brings together under the same roof human values and leading-edge technology. It proclaims both our attachment to our Swiss roots and the identity of our sole shareholder, the "Fondation de Famille Sandoz."

BANK EDOUARD CONSTANT

Bank Edouard Constant Ltd - Cours de Rive 11 - P.O. Box - CH 1211 Geneva 3 - Tel. (41 22) 787 31 11 - Fax (41 22) 735 33 70
London Representative Office - 2 Studio Place - Kinnerton Street - London SW1X 8EW - Tel. (44 171) 235 4441 - Fax (44 171) 823 1652

Geneva - Zurich - London - Monaco - Luxembourg

Supreme Court Ruling Casts Cloud Over Clinton

Harassment Case Keeps Public Focus On Issue of President's Trustworthiness

By Kevin Merida
Washington Post Service

WASHINGTON — President Bill Clinton has lost an opportunity to remove one of the nagging legal controversies hovering over his presidency.

The Supreme Court's unanimous 9-0 ruling that Paula Corbin Jones can pursue her sexual harassment lawsuit against Mr. Clinton while he is still in office keeps questions about the president's character percolating in the public arena.

Until resolved, the Jones case could be, in the words of one scholar, like "water dripping on a stone," detracting from Mr. Clinton's governing mission.

"It reopens and underscores and focuses on and exacerbates the whole question of this president's trustworthiness," said Robert Dallek, a Boston University history professor who is just completing his second volume of a biography of Lyndon Johnson.

Charles Jones, a political scientist at the University of Wisconsin, said: "My God, what a distraction. It seems predictable with this fellow that whenever things are going good there is a great big pothole in the road."

The court's decision comes at a time when Mr. Clinton's political fortunes appear to be rising. He is currently in Paris trying to demonstrate his leadership in expanding the NATO alliance. He recently concluded a historic budget agreement with the Republican-controlled Congress. The economy is cruising steadily along. And public opinion polls show a majority of Americans have confidence in his leadership.

The Paula Jones ruling threatens to disrupt that, at least temporarily.

The Clinton White House has had plenty of practice maneuvering through political land mines. There were the firings of travel-office personnel, the handling of confidential FBI background files of prominent Republicans and, more recently, the ongoing investigations into the Democratic Party's fund-raising practices and the possibility that Hillary Rodham Clinton might be indicted in the Whitewater probe.

Win McNamee/Reuters

Mr. Clinton's attorney, Robert Bennett, left, and Paula Jones's lawyer, Gilbert Davis, passing on a TV talk show.

"If there's one guy who's shown he can live with distractions, it's the president," said James Carville, a sporadic adviser to the president. "It's sort of his forte."

But unlike the controversies over Whitewater and the Democratic fund-raising maze, Paula Jones's story is much easier for the general public to understand. The former Arkansas state employee claims that in 1991 then-Governor Clinton had her summoned to a Little Rock hotel room where he exposed himself and asked her to perform a sexual act. Mr. Clinton has denied the incident happened and there are no first-hand witnesses. It is essentially her word against his.

For most of the period since she first went public with her allegations at a Feb. 11, 1994, news conference at a convention of Clinton-bashing conservatives in Washington, Ms. Jones's allegations were treated with suspicion. She was losing the public relations war. But in recent months, there have been new media examinations of her case that have tended to cast the credibility of her argument in a more favorable light. Some analysts said Tuesday's unanimous court decision would only help her efforts and damage Mr. Clinton's in the battle over the truth.

"She clearly has a better platform now to make her case either legally or publicly," said David Demarest, former communications director for President George Bush, citing new interest from the media.

Not only is the momentum against Mr. Clinton in this case, but managing the fallout could prove more difficult than it might in other types of political catastrophes, according to Mr. Demarest.

"There is a rule in public relations called 'the worst first.' You try to get the worst information to the public first so you can turn the story. One of the problems in legal cases is — because there is information a plaintiff has that hasn't necessarily gotten into the public domain — the defendant is at a real disadvantage from a public relations standpoint."

Because the event can be so hard to manage, Mr. Demarest said, sometimes the most appealing choice is to settle out of court. So far, however, there is no evidence to suggest the president and his lawyers are considering such an option.

Mr. Demarest said that if he were advising the president, "I would want to keep it out of the White House. I wouldn't want morning staff meetings discussing this case."

However White House aides decide to handle the matter, they will be playing into a news climate already crowded with sexual scandal, such as the Aberdeen military rape trial, the Kelly Flinn affair and the allegations against the sportscaster Marv Albert.

"All of a sudden," said the University of Wisconsin's Mr. Jones, "the president is on the same level as these folks."

U.S. Reaches Long-Awaited Pact With EU On Inspections

By Tom Buerkle
International Herald Tribune

THE HAGUE — The United States and the European Union on Wednesday resolved a long deadlock over product safety inspections, clearing the way for an accord to speed up billions of dollars of trans-Atlantic trade on goods ranging from medicines to telecommunications equipment.

The draft agreement was hailed by President Bill Clinton and EU leaders at a meeting here as a significant step toward the building of a trans-Atlantic marketplace free of barriers to commerce.

Under the agreement, U.S. and EU regulatory agencies are supposed to recognize each other's safety certifications so that a product can be tested just once before being marketed on either side of the Atlantic. The accord covers about $44 billion worth of two-way trade in telecommunications and information-technology equipment, drugs and medical devices and recreational boats. U.S. officials estimated that it would cut certification burdens that cost industry more than $4 billion a year.

The so-called mutual recognition agreement has been a prime objective of government and industry on both sides of the Atlantic for the past two years, and the last-minute breakthrough set a positive tone for the semiannual meeting between Mr. Clinton and his EU counterparts. This time, he met with Prime Minister Wim Kok of the Netherlands, holder of the EU's rotating presidency, and Jacques Santer, president of the European Commission.

The leaders also oversaw the signing of agreements to fight drug trafficking by controlling trade in key chemical components of illegal drugs, to cooperate in combating trafficking in women, and to increase customs cooperation.

But the accords were to some extent overshadowed by continuing differences over U.S. threats of sanctions against foreign companies that trade with Cuba, and by the potential for a trade war over Boeing Co.'s proposed acquisition of McDonnell Douglas Corp.

Neither side discussed the Boeing case openly, saying it was a matter for EU and U.S. antitrust regulators to consider, but American officials made clear their fears that the EU Commission's antitrust review could be tainted by political pressure on behalf of Airbus Industrie, the European consortium that is Boeing's chief competitor.

"The concern the United States has is that this competition review must be done on the basis of competition policy principles, and not on the basis of any extraneous political considerations," said Charlene Barshefsky, the U.S. trade representative. She noted that any decision by the EU's merger task force must be approved by the 20-member commission, a political body, while the verdict of the Federal Trade Commission, the agency handling the U.S. review, could not be changed by politicians.

Europe's competition commissioner, Karel Van Miert, last week claimed the deal would strengthen Boeing's dominance of the global aircraft market. He threatened to reject it unless Boeing made major changes by the end of July.

U.S. officials said they now expected the Federal Trade Commission to issue its opinion sometime in July. Although that would eliminate the possibility that Europe would rule first, there is nothing to ensure that the United States and the EU will come down on the same side of the merger.

The leaders also made little progress toward a final resolution of their differences over the Helms-Burton Act, which allows the United States to impose sanctions on foreign companies trading with Cuba. Under a six-month truce agreed last month, a resolution depends on an EU-U.S. agreement on the treatment of expropriated properties in third countries, but U.S. officials said talks had yet to start because of turf battles between the Commission and EU national governments.

Mr. Clinton told EU leaders to "be visible and active" in supporting democratic reform in Cuba if they want the U.S. Congress to amend the Helms-Burton sanctions, European officials said.

The draft trade agreement appeared to involve significant concessions by Europe to the primacy of the U.S. Food and Drug Administration in certifying the safety of drugs and medical devices. U.S. officials said the deal would safeguard the FDA's ability to carry out its own inspections of European products rather than rely on European inspectors.

The 15 EU governments must endorse the pact in the next week before it can take effect, and Mr. Kok expressed confidence that they would do so.

ALLIES: *Clinton Affirms Ties to Europe*

Continued from Page 1

tating EU presidency. Holding to this tone, Mr. Clinton avoided opening perspectives he could not politically sustain, and with Western Europe's unemployment rate at double that of the United States, he took care to offer neither advice nor commiseration.

Mr. Clinton's caution extended to avoid talking about the euro, the Union's common currency to be, and its importance to the development of the Continent's economy. He said a more integrated, cooperating Europe was a good thing for everyone, and had the enthusiasm and support of the United States. But beyond that, asked to comment on the role of the euro, the president said, "it would be frankly not appropriate for the United States to go much further than I have gone in this."

The audience for Mr. Clinton's speech included chiefs of state and government from the Organization for Security and Cooperation in Europe, which includes virtually all the countries of the former Warsaw Pact. The presidents or chiefs of government of such countries as France or Britain, major recipients of Marshall Plan help, did not attend, but Chancellor Helmut Kohl of Germany and Prime Minister Romano Prodi of Italy were present.

Defense Rests in McVeigh Trial After Calling Only 25 Witnesses

The Associated Press

DENVER — Timothy McVeigh's attorneys rested their case Wednesday after only three and a half days and 25 witnesses, ending with wiretapped phone conversations of a star prosecution witness joking he could make up a "fable" to cash in on the Oklahoma City bombing.

Closing arguments were set for Thursday followed by jury instructions. Sources close to the case said U.S. District Judge Richard Matsch was considering sequestering the jury throughout deliberations, which would go through the weekend if necessary.

SWISS: *Compounding Woes*

Continued from Page 1

Switzerland's total wartime arms sales amounted to some 900 million Swiss francs from 1940 to 1944, when the trade was halted under pressure from the Allies. Of that total, two thirds of the sales were to the Reich; weapons worth 150 million Swiss francs were sold to Germany's ally, Italy.

The weapons, from companies he identified as Oerlikon-Buhrle, Tavaro, Hispano-Suiza and Dixi, included anti-aircraft guns, cannon, military precision instruments and "a lot of ammunition, shells and so forth."

"Quantitatively, this was only a small part of the needs of the German Army," Mr. Cerutti said. But it amounted to a significant part of Swiss exports to wartime Germany of steel and other products totaling about 2 billion Swiss francs.

The document listing the sales was found in diplomatic archives that are being codified and published by a group of Swiss historians.

The timing of the revelations — less than three weeks after a major U.S. report harshly criticized Swiss dealings with Nazi Germany — seemed to contribute to a picture of wartime Switzerland that contrasts darkly with its erstwhile image of probity and neutrality.

Put together, the disclosures show a small, beleaguered nation that chose to buy its survival by trading in gold looted by the Nazis and providing a key financial and business center for the Third Reich.

The transactions embraced dealings between Swiss commercial banks and such strategic German companies as I.G. Farben — producer of synthetic fuel and rubber — that used slave labor at the Auschwitz concentration camp.

Even after the war, Switzerland dragged its feet for years on the liquidation of German assets while its private banks stonewalled Jews seeking access to deposits made by relatives who died in the Holocaust.

Last week, the Swiss authorities denied U.S. assertions that their dealings with Nazi Germany prolonged the war.

But, for the first time, they acknowledged that, in some business-dealings with the Third Reich and Italy, "concessions were sometimes made to the Axis powers which are very hard to comprehend today in view of the inner convictions of the population and measured by absolute necessity."

Swiss military and foreign policy officials had no immediate comment on Wednesday's report.

The onslaught on the Swiss war record has been led largely by political forces in the United States, notably Senator Alfonse d'Amato, Republican of New York, the World Jewish Congress and, most recently, the Clinton administration.

In response, Switzerland has set up an independent historians' inquiry and has offered to ease bank secrecy laws to assist a separate inquiry into dormant Jewish bank accounts.

Switzerland also has proposed establishing a $4.7 billion investment fund to aid victims of suffering and oppression — including Holocaust survivors — while private banks and other businesses have set up a special fund for survivors.

Disbursements from that fund — now totaling about $120 million — have been stalled by an acrimonious dispute between the Swiss authorities and the World Jewish Congress over the appointment of a leading non-Swiss Jewish figure to its seven-member executive board.

In an effort to end the dispute, the Swiss announced Wednesday that Edgar Bronfman, president of the World Jewish Congress, had been elected to the fund's governing board.

Elan Steinberg, an official of the World Jewish Congress in New York, said Mr. Bronfman's appointment to the board was temporary until a full-time representative was appointed.

The board is headed by Rolf Bloch, leader of Switzerland's principal Jewish representative organization.

RUSSIA: *Public Indifference Reduces Risk of a Backlash Over NATO Accord*

Continued from Page 1

will depend on whether NATO and Russia manage to form a constructive working relationship as sketched out in the agreement signed in Paris on Tuesday.

But the temperate public response to date does not mean that NATO expansion will be cost-free. In the nascent Russian democracy, it is Russia's political establishment, not the public, that decides national security issues.

NATO expansion has jeopardized the Parliament's ratification of the START 2 strategic arms treaty, a high American priority. It has also forced the Clinton administration to use up political capital with Moscow that might have been expended on other Russian-American issues, such as arms control and dealing with weapons proliferation.

"In general, this is not such a serious problem for rank and file Russians, especially as compared to such problems as wages and Yeltsin's health," said Yuri Levada, the director of the Russian Center for Public Opinion and Market Research. "The politicians' speech is quite another thing."

The politicians' bombast over NATO expansion is discounted by many Russians as an effort to pander to nationalists or distract attention from economic ills, polling experts say. Russians worry about foreign adversaries, but are more likely to see them in Afghanistan or Chechnya than in the West.

But in the Foreign Ministry, NATO still summons up ghosts for Russia's ruling elite, and the Russian news media have often echoed official anxiety.

Some of Mr. Yeltsin's bitterest rivals, like Alexander Lebed, the ousted security adviser and presidential hopeful, have denounced the accord as a sell-out. Many politicians, however, basically accept Mr. Yeltsin's argument that the accord makes the best of a bad situation.

While the politicians squabble, much of the Russian public has tuned out the debate. Public opinion surveys indicate that 37 percent of Russians polled oppose NATO plans to admit Poland, the Czech Republic and Hungary into the alliance.

That is more than twice as many as support NATO enlargement (14 percent), but it is still a relatively modest percentage given decades of anti-NATO propaganda and Russia's tradition of suspicion of foreigners.

The largest percentage of those polled, 49 percent, do not have an opinion or do not care.

The percentage of those opposed increases when Russians are asked about their attitude toward NATO's expanding to include former Soviet republics, such as Ukraine or the Baltic states. NATO has not excluded this possibility, but it is also not currently considering such steps.

According to a February survey conducted by the Public Opinion Foundation, a Russian polling organization, only 18 percent of those polled believed the government's opposition to NATO expansion was "an attempt to protect Russia from the West."

Another 14 percent believed that the leaders' real concern was "fear of losing control over Russia's former allies." By contrast, 38 percent saw the politicians' attack on NATO expansion as a bargaining tactic to get more foreign aid, an attempt to divert attention from economic problems or an effort to score political points at home.

Significantly, a sizable number of those surveyed, about 30 percent, offered no opinion at all.

Public opinion also split along generational and occupational lines. The younger and more successful strata of Russian society was less concerned with NATO expansion than the elderly and those who work in military industries.

But NATO expansion has already aggravated the suspicions of an older generation and of the military, which was already wary of free market changes and nostalgic for Soviet days.

Valentin Tarasov, a 63-year-old pensioner, said: "I think NATO affects the life of everybody in this country. I don't think America cares that much about us. We will have to pay back everything they give us now."

DENVER: *Booming Inland States Evolve Into Pathways for U.S. Exports*

Continued from Page 1

In 1988, these 11 states exported, on a per-capita basis, at half the national average of $1,246. By last year, the region's average had risen to two-thirds the nation's new average, $2,348. The gain in its share came as the country as a whole was doubling its total exports, to $623 billion in 1996.

In Idaho, for instance, 75 percent of the 100 million bushels of wheat grown annually goes overseas.

In Nebraska, Governor Ben Nelson has become a Midwestern Marco Polo. Since 1991, he has led state trade missions to Japan and China three times each, to Taiwan four times and to Hong Kong five times. In February, he ventured south, taking Nebraskan exporters to Argentina and Brazil.

In Colorado from June 20 to June 22, the region's new international character will be clearly visible to foreign participants at the "Denver Summit of the Eight" — Britain, Canada, France, Germany, Italy, Japan, Russia and the United States.

Japan is now the largest trading partner of Utah, Colorado, Nebraska and Kansas. Britain accounts for a major part of the $400 million invested in Colorado by 200 companies from 22 countries. One of the state's ski areas is owned by a Japanese company, another by a Canadian company and a third by a Brazilian company.

Prime Minister Jean Chretien of Canada, Colorado's second-largest trading partner, will be able to fly to the meeting directly — 11 flights leave Canada daily for Denver's new $5 billion international airport. Advisers to President Boris Yeltsin of Russia will probably tell him that from Denver, the center of the American gold mining industry, Colorado companies now mine gold in Tajikistan, Uzbekistan and the Russian Far East.

"Mining, aerospace, telecommunications — they are all strong in Denver, and they are all investing in Russia," said Deborah Anne Palmieri, president of the Russian-American Chamber of Commerce, a national business group based in Denver since 1993.

The increasingly international flavor of the economy has also affected the region's traditional mainstay, agriculture. Today, Plains states ship record amounts of pasta, boxed steaks and frozen chicken to a range of new markets: Russia, Latin America and the Far East.

"Russia is by far our biggest volume market; we're selling everything from hot dogs to top-of-the-line T-bone steaks," Scott Sanem said by telephone from Moscow, where he had opened a regional sales office for Conagra Refrigerated Foods of Greeley, Colorado. "We have more than doubled sales over the last year."

The region's rapid integration with the world economy is taking place as much of the area is still riding a larger economic boom that started in the early 1990s.

Although job growth is slowing slightly, it is expected to be 5 percent this year in Arizona and Utah and almost 4 percent in Colorado — the region's three largest economies. Arizona has been adding 100,000 jobs a year since 1994.

Since 1990, Colorado's population has swelled to almost 4 million. In that time, the state has had 11 of the 35 fastest-growing counties in the nation, including the top four — Douglas, Elbert, Parker and Custer.

Technological change has been the key to the growth of internationally competitive industries in the Rocky Mountain states and the Southwest.

So with manufacturing plants opening in the last two years in Arizona, New Mexico and Utah, the United States has regained the world lead in the production of semiconductors. And, finally, advanced communications have cut financial services loose from their traditional anchors on the coasts.

NOMURA: *As 'Big Bang' Looms, Scandal Threatens to Expose Dark Side of Japan's Business Ethic*

Continued from Page 1

might expose the messy back-room horse-trading that has long hindered Japan from freeing up its markets and competing efficiently in the global world of finance.

Among the documents prosecutors are scrutinizing are records for a couple of hundred high-class "01" accounts for leading politicians, ministers, and bureaucrats, as well as gangsters. These clients are so special to Nomura that they have been handled in secrecy by top Nomura executives, according to employees and others with close ties to the company.

Many people say that it is through these VIP accounts, which gave the owners special benefits and perhaps undeserved profits, that Nomura spread its tentacles into the many corridors of power in Japan.

"The leaders of political factions collect funds through the manipulation of stocks," said Eitaro Itoyama, a former member of Parliament and Nomura's largest individual shareholder, with 10 million shares. "If the super VIP accounts are disclosed, it could be found that past prime ministers and vice ministers of the Finance Ministry were involved."

For Nomura, the pressure to uproot such traditional practices is mounting. In many ways, the company's rebirth is a test for Japan's financial industry as it strives to prove to the world's financial community that it can perform and behave like any other international player.

"We are now carrying out the realization of a real liberalization of the market," said Takao Toshikawa, who writes a political newsletter in Tokyo. "So we are in a sensitive time, politically, economically and culturally."

Since its beginnings more than a century ago, Nomura has built up an enormous pyramid of knowledge, contacts, sophistication and secrets. Its expertise is so far ahead of its regulators in the Kasumigaseki district, where the Finance Ministry is located, that it is regularly consulted on drafts of new rules.

Still, Nomura's layers of secrets are now haunting the company. Around Kabutocho, Tokyo's Wall Street, there is talk that these confidential numbered accounts were used to channel special compensation, rights to buy up new issues, and financial knowledge about companies.

The Finance Ministry banned Nomura from underwriting government bonds, and regulators might suspend some of Nomura's business for three months.

Its former chairman, Setsuya Tabuchi, a towering figure in Japanese finance, and its president, Hideo Sakamaki, who resigned in March, testified Wednesday before Parliament. Mr. Sakamaki admitted he had met with a gangster, and some employees fear that he may be arrested. (Page 15)

Nomura's new president, Junichi Ujiie, who took over May 1 after 15 board directors resigned to boost Nomura's image, acknowledged the challenges.

Mr. Ujiie also suggested that while the company could not collapse because of a financial loss, it could disintegrate because of a scandal and loss of morale — unless it cleans up its house and makes a new start, according to two employees. Most people expect the company to bounce back, but the precedents abroad, names like Kidder, Peabody and others consigned to history after financial scandals, are stark reminders of the risks.

Power Beh

Troops Quel

KINSHASA, Congo — Soldier... as broke up a banned oppos... Wednesday in Kinshasa, beating ... protesters who had been denounced ... one of Rwandans among Laur... lines.

Several thousand supporters of ... tion leader Etienne Tshisekedi ... the march, on the eve of Mr. ... ugration as president of the D... Republic of Congo, his new name ... "See this!" a marcher said after ... broke up the protest. "It's dictatorship ... even worse now because the oppo... foreigners."

Soldiers from Mr. Kabila's Al... Democratic Forces for the Libe... Congo allowed the march to start, ... also blocked the route, fired into ... beat protesters with clubs and rifl...

Sierra Leone

Reuters

FREETOWN — A Sierra ... rebel leader, Foday ... Sankoh, on Wednesday ... called on his forces to back ... the leaders of a weekend coup ... who are under heavy Nigeri... pressure to restore the ci... lian president.

Nigeria landed 720 troops ... Freetown's port and airport ... on Tuesday to reinforce the ... 900 already stationed in the ... country, and a member of the ... new ruling council said Ni... gerian defense chiefs were ... expected later in the day to ... discuss restoring Ahmed Te... jan Kabbah, who fled to ... Guinea on Sunday.

Freetown's new military ... leader, Major Johnny Paul ... Koroma, tried to reassure Si... erra Leoneans at his first news ... conference that the Nigerians ... had come to evacuate their ... nationals, not to intervene.

But a senior military ... source said Major Koroma's ... Armed Forces Revolutionary ... Council was under strong ... pressure to stand aside.

Major Koroma said,

INTERNATIONAL

Power Behind Kabila Reflects Congo War's Tutsi Roots

By Lynne Duke and James Rupert
Washington Post Service

Laurent Kabila's ability to consolidate his control over Congo is largely dependent on a powerful constituency within his alliance: the ethnic Tutsi military and political leaders who led the fight to oust Mobutu Sese Seko.

As Mr. Kabila's alliance establishes itself in office, foreign governments pressing for a broad, democratic government in the country formerly known as Zaire have focused their attention and leverage on him.

But numerous Congolese and Western analysts said Tutsi political and military leaders — many with close links to neighboring Rwanda and Uganda — are often more powerful than the top civilian officials in Mr. Kabila's force, the Alliance of Democratic Forces for the Liberation of Congo.

The power of these Tutsi, an alliance source said, "is like a net" around Mr. Kabila, who is a member of the Luba tribe. Many of his closest advisers and handlers are Tutsi, including the chief of his presidential office, the secretary-general of the alliance and its foreign minister. In addition, people in areas that have been under alliance control since the early stages of Mr. Kabila's rebellion contend that the alliance's local administrators defer to — or are intimidated by — the Tutsi-dominated military.

"The public face of the alliance is Kabila" or the Western-trained technocrats who form much of his cabinet, said a Congolese lawyer doing research for a Western human rights organization here. "But real power rests much in the hands of Tutsi," especially military officers.

The Tutsi, a minority in several central and east African states, make up no more than 1 percent of Congo's population of 46 million people. They are a cohesive, insular tribe — and widely resented among some of the more than 200 other ethnic groups in Congo.

That resentment presents Mr. Kabila's fledgling government with a major challenge as it tries to rule Congo with many Tutsi in political and military positions of power.

Although just two of the 13 members of the cabinet named by Mr. Kabila are Tutsi, they play key roles in the alliance. Whether Congolese citizens will accept the prevalence of Tutsi in the ruling alliance could prove to be one of the most crucial questions facing Mr. Kabila's government.

A Tutsi uprising in October — sparked by the Mobutu government's order that all Tutsi be expelled from eastern Zaire — began the rebellion that eventually toppled the longtime dictator. Although the war moved out of the Tutsi home region and Mr. Kabila assembled an alliance comprising several ethnic and political groups, the Tutsi core of the movement still holds sway. Its members believe their sacrifices give them the greatest standing within the alliance movement, sources said.

"It's a kind of blackmail — 'We gave our blood' — but very subtle," one said.

John Nsane, a Tutsi who is a counselor to Deogratias Bugera, the alliance's secretary-general and also a Tutsi, acknowledged that the "big team" that launched the rebellion was composed almost exclusively of Tutsi.

But he said that now "the alliance has a responsibility to all Zairians, not just Tutsi." In some respects, the Tutsi core of the alliance has become indistinguishable from the movement itself, which grew out of the ferment of ethnic enmity in the Great Lakes region, where Congo borders Uganda, Rwanda and Burundi.

When the Tutsi in eastern Zaire, who trace their roots there back two centuries, were ordered expelled by the Mobutu government, they took up arms and joined forces with Mr. Kabila's long-standing but loosely formed military movement and other non-Tutsi groups that opposed Marshal Mobutu.

Thousands of Rwandan Tutsi joined the Zairian Tutsi force, creating the core of the alliance's army — and Tutsi officers with combat experience in the Rwandan and Ugandan armies took key commands, according to Congolese and Western analysts.

At the same time, Tutsi-led Rwanda was being plagued by cross-border raids from Rwandan Hutu living in refugee camps along the border.

The Rwandan Army — and its patrons in Uganda — saw the formation of the alliance as an opportunity to clean up the border area and create a buffer zone, a U.S. official in Washington said. Among the alliance's first operations in October and November were attacks on Hutu refugee camps, which sent most of the refugees fleeing.

Many of the rebels' political and military decisions were made in the Rwandan and Ugandan capitals of Kigali and Kampala, respectively, analysts said. During the seven-month war, "all the information from many sources was that Rwandan officers have been heavily involved," said Filip Reyntjens, a prominent Belgian scholar on the central African region and its politics.

In the southern city of Lubumbashi early this month, Rwandan women staying at the same hotel as alliance leaders volunteered that they were awaiting their husbands, who were Rwandan Army officers participating in the alliance's final drive on Kinshasa.

Alliance officials routinely deny the presence of foreign officers and decline to give the names of their top commanders. Tutsi influence in the military and in the alliance's political structure appears to converge in the person of Mr. Bugera. A Tutsi architect from Goma, Mr. Bugera is the second-highest-ranking official in the alliance. Mr. Reyntjens and other analysts said he is an important figure in the alliance's relationship with Rwanda.

Political activists in Goma said Mr. Bugera played a key role last year in recruiting for the alliance army. In Rwanda, he was said to have recruited Tutsi who had been forced from their homes in Zaire's Kivu region by the estimated 1 million Rwandan Hutu refugees who had poured into the border area in 1994.

Another prominent Tutsi in Mr. Kabila's inner circle is Foreign Minister Bizima Karaha. A native of the Kivu region, the South African-educated pediatrician was Mr. Kabila's foreign affairs specialist before the alliance took power. As the new Congolese foreign minister, he will presumably be its chief representative to the world.

In eastern Congo, where the alliance already has ruled for several months, analysts and residents said its military structure often has exercised so much power that it trumps the civilian side.

Human rights activists in Goma said last month that they had asked the local governor for information about people who had been arrested in the town, and he had replied that he had no information and no authority to ask questions. In Bukavu, Mr. Reyntjens said, the local military commander recently overruled the governor's decision to permit a private radio station to begin operating.

The military's reported independence from civilian authority may play a role in the reported pattern of attacks by the alliance's forces against Rwandan refugees in eastern Congo.

Mr. Kabila has insisted that such attacks are not the policy of his alliance, but human rights groups and international aid organizations said atrocities have continued. Despite permission by Mr. Kabila for humanitarian and observer groups to travel to areas holding refugees, alliance troops have routinely refused access to aid workers, journalists and others.

Pascal Guyot/Agence France-Presse
Opposition protesters defying a ban on demonstrations in Kinshasa on Wednesday.

The clearest sign of such divisions — and of their being settled in favor of the Tutsi contingent — was the death in January of the alliance field commander in the Kivu region, Andre Kissase, a non-Tutsi. Although alliance officials say he was killed in an ambush by government forces, the alliance source said Mr. Kissase's death resulted from a "political decision" because of his persistent questioning of the Tutsi military power in the movement. A Western diplomat said sources close to the alliance gave him the same account.

Mr. Kabila's biggest challenge now is to share power in a way that can keep his coalition intact, Mr. Reyntjens said. "Kabila is going to be walking a tightrope," he said. "In the end, Tutsi have most of the guns, and those who hold the guns hold the power."

BRIEFLY

Algiers Pursues Rebel Leaders

ALGIERS — The government is offering rewards for help in tracking down 72 Muslim militants who it contends are the leaders of a bloody insurgency.

Posters bearing photographs of the suspects were put up this week as security forces attacked a stronghold of the Islamic Salvation Army south of the capital. Some of the posters went up on panels reserved for candidates in the legislative elections scheduled for next Thursday, the first since an aborted 1992 vote that triggered the insurgency.

The biggest rewards — 45 million dinars (nearly $80,000) — are reserved for information on top commanders of the Islamic Salvation Army and the Armed Islamic Group, the most radical organization fighting in the five-year-old insurgency. *(AP)*

New Roadblocks in Argentina

BUENOS AIRES — Fresh protests over the high unemployment rate spread across Argentina on Tuesday as the economy minister acknowledged that the government might not be doing enough for the poor.

In the poor northwestern province of Jujuy, where more than 100 people were hurt in clashes last week between the police and protesters who were picketing a highway, roadblocks cropped up in 10 towns.

In the central province of Cordoba, jobless farm workers unhappy with government offers of work programs and free seeds blocked a highway.

The protests against a national unemployment rate of more than 17 percent — the rate is 37 percent in some parts of poor provinces such as Jujuy — have cropped up from Patagonia to the northern Andes. *(Reuters)*

Ex-Leaders in Venezuela Fined

CARACAS — The Supreme Court has ordered former President Carlos Andres Perez and four top aides to pay more than $600 million in damages for misuse of government funds.

The fine is in addition to the prison sentence Mr. Perez completed in September for the misappropriation of $17 million from a secret security spending account, Supreme Court President Cecila Sosa said Tuesday at a news conference.

Mr. Perez's interior minister, Alejandro Izaguirre; the presidential secretariat minister, Reinaldo Figueredo, and two other government officials would share the fine with Mr. Perez, Mr. Sosa said. *(Reuters)*

Troops Quell Protest in Kinshasa

Reuters

KINSHASA, Congo — Soldiers firing into the air broke up a banned opposition march Wednesday in Kinshasa, beating and arresting protesters who had been denouncing the presence of Rwandans among Laurent Kabila's forces.

Several thousand supporters of the opposition leader Etienne Tshisekedi took part in the march, on the eve of Mr. Kabila's inauguration as president of the Democratic Republic of Congo, his new name for Zaire.

"See this!" a marcher said after the troops broke up the protest. "It's dictatorship but it's even worse now because the oppressors are foreigners."

Soldiers from Mr. Kabila's Alliance of Democratic Forces for the Liberation of Congo allowed the march to start. But then they blocked the route, fired into the air and beat protesters with clubs and rifle butts.

Earlier, tens of thousands of people lined the streets, cheered the marchers and made V-for-Victory signs. "Kabila should have a chance but we do not want the Rwandans," said a student who had been kept by the police from joining the protest.

The student was one of hundreds who had assembled at the Higher Institute of Commerce in central Kinshasa, chanting slogans and preparing to join the march. But soldiers sealed the campus of the institute and dispersed the students.

There was little sign of soldiers along the march route until they intervened.

"We are here to bring order, that is all," their commander said. Soldiers, mainly ethnic Tutsi, dispersed the marchers as they headed for Mr. Tshisekedi's home district of Limete. Witnesses said the troops had seized some protesters and briefly detained journalists, confiscating their film.

Sierra Leone Rebel Backs Coup

Reuters

FREETOWN — A Sierra Leone rebel leader, Foday Sankoh, on Wednesday called on his forces to back the leaders of a weekend coup who are under heavy Nigerian pressure to restore the civilian president.

Nigeria landed 720 troops at Freetown's port and airport on Tuesday to reinforce the 900 already stationed in the country, and a member of the new ruling council said Nigerian defense chiefs were expected later in the day to discuss restoring Ahmed Tejan Kabbah, who fled to Guinea on Sunday.

Freetown's new military leader, Major Johnny Paul Koroma, tried to reassure Sierra Leoneans at his first news conference that the Nigerians had come to evacuate their nationals, not to intervene.

But a senior military source said Major Koroma's Armed Forces Revolutionary Council was under strong pressure to stand aside.

Major Koroma said, "ECOMOG will not interfere in our internal matters." He was referring to the Nigerian-led regional force in Liberia and Sierra Leone.

Senior Nigerian Army officers were expected in Freetown later in the day.

Major Koroma said Tuesday night that Mr. Sankoh had agreed to join his government. Mr. Sankoh's Revolutionary United Front has been fighting a war against the Sierra Leone government since 1991.

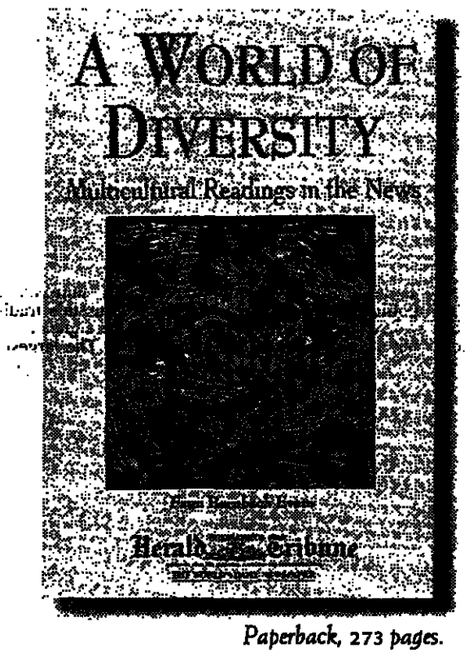
"All RUF field commanders and troops should stand by for any reinforcement needed by Major Koroma to defend our sovereignty," said Mr. Sankoh, who is currently being held at a hotel in Lagos by the Nigerian military authorities.

HERALD TRIBUNE WORLD YOUTH FORUM ALUMNI ASSOCIATION
50th ANNIVERSARY REUNION

NEW YORK
AUGUST 7 - 10, 1997

If you were, or you know someone who was, a participant in the **Herald Tribune/World Youth Forum** (either Dec-March or summer programs), please contact us for details of the Association and the reunion: IHT Box 293, 92521 Neuilly Cedex or

Catherine Marin (33 1) 47 72 12 15
catherinemarin@compuserve.com
Daniela Yaffe Zidon (1 914) 2452279
d.zidon@juno.com



Paperback, 273 pages.

MASTER WRITING SKILLS WITH THE HERALD TRIBUNE

A WORLD OF DIVERSITY is a collection of 50 multicultural readings drawn from the International Herald Tribune. Selected for students and others who want to perfect their writing skills in English, the book's varied articles offer an opportunity to explore important crosscultural issues, with questions and exercises designed to foster critical thinking and cultural awareness.

Chosen from the rich resources of the International Herald Tribune, the readings — drawn from news reports, editorials and feature stories — cover such themes as alterations in the world's economy, changes in the Earth's environment, the ramifications of technological advances, and the ravages of war.

The emphasis is always on the wealth of human diversity as well as on the common ground we share.

THE TEN CHAPTERS ARE:

Educating Our People
Understanding the Impact of the Media
Contending with Violence around the World
Living in a World at War
Staying Healthy around the World
Coexisting with Mother Earth
The Sporting Life
Living in a Technological World
Understanding the World Economy
Fighting for Human Rights

EACH CHAPTER INCLUDES:

- Chapter Introduction providing context for the key issues covered, with suggestions on how to approach the readings;
- Selection Headnotes, with necessary context and questions to consider for each article;
- Discussion Questions to stimulate critical analysis following each reading;
- Writing Assignments at the end of each reading and following each chapter; with practice in a variety of styles (interviews, reports, casual analysis, etc.), the assignments are an opportunity to explore issues raised in the text and to facilitate the individual's approach to writing.

A WORLD OF DIVERSITY is an excellent tool for *improving your English* —and is a perfect *gift* for colleagues, friends or family members who are studying English as a foreign language. Order your copies today with the coupon below.

Herald Tribune

Return your order to International Herald Tribune Offers,
37 Lambton Road, London SW20 0LW, England. For faster service, fax order to: (44-181) 944 8243.
E-mail:paulbaker@btinternet.com

Please send me _____ copies of A WORLD OF DIVERSITY at UK£25 (US$40) each, including postage in Europe.
Additional postage outside Europe: North America £1.70 (US$2.75); rest of world £2.95 (US$4.75) per copy.
Please allow up to 3 weeks for delivery. 29-05-97

Name _____
Address _____
_____
City/Code/Country _____
Payment is by credit card only. Please charge to my credit card:
☐ Access ☐ Amex ☐ Diners ☐ Eurocard ☐ MasterCard ☐ Visa
Card No. _____ Exp. date _____
Signature _____
Company EU VAT ID No. _____

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Tinkering With Europe

Just as Americans are getting accustomed to the idea that Asia is the new crucible for American economic and political interests, Europe commands attention again. The confluence of two great shifts now planned in Europe, the eastward expansion of NATO and the adoption of a common currency, could change the Continent in ways that may undermine European stability in the decades ahead.

That danger was not much in evidence on Tuesday as Bill Clinton and NATO's European leaders welcomed Boris Yeltsin to Paris to sign an accord that will govern Russia's relationship with the alliance. This agreement, the leaders declared, will speed the advent of a democratic, undivided Europe. It may also make it easier to sell NATO expansion to a wary U.S. Senate, which has the final say. President Yeltsin sweetened the deal by announcing that Russian nuclear missiles would no longer be aimed at Europe, an easily reversible step that Moscow took some years ago for American targets.

But the pleasantries in Paris were a distraction. The common denominator of NATO expansion and a single European currency is the division of Europe into two camps, the prosperous democracies and those not so strong or fortunate. NATO expansion would give that division political and military form, and the common currency would reinforce it economically. Russia, on all counts, would be left squarely in the excluded camp.

That may not seem worrisome from the many standards of success outlined by President Clinton and the other architects of change. Adoption of a common currency will indeed enhance commerce among the countries allowed to use it, and give that group greater international financial clout. The inclusion of Poland, Hungary and the Czech Republic in NATO would help them feel secure and part of Western Europe. Russia will have a consultative role in NATO.

But the broader picture is less reassuring. Just as the security of Europe after World War II depended on the transformation of Germany into a peaceful, democratic nation, the future stability of Europe now rests heavily on the consolidation of democracy and free markets in Russia. Neither NATO growth nor a common currency will make it easier for Russia to see itself as part of Europe. Countries like Italy fear second-class status if they do not qualify for the common currency. Eligibility is limited to members of the European Union, and, among other things, requires budget deficits so low that even Germany and France may have a hard time qualifying. Russia is ineligible now and likely to remain so for years.

NATO expansion at its core is an effort to erect a Western security zone in Eastern Europe while Russia is too weak to protest. That would be appropriate if Russia were rearming and becoming belligerent, and might prove a necessary step in the future, but it seems ill advised while Russia is trying with some pain to become a democracy.

What Russia most needs today is help in turning around its anemic economy. Historians may someday look back at Tuesday's meeting and wonder why the leaders of the United States and European democracies seemed so intent on expanding NATO in 1997 instead of working more closely with Mr. Yeltsin to solve Russia's economic problems. Russia needs a new tax system much more than it needs a new relationship with NATO.

There is nothing wrong with tinkering with the shape of Europe now that the Soviet Union is gone, provided the adjustments are more likely to bring the Continent together than drive it apart.

—THE NEW YORK TIMES.

France's Troubles

France struggles with a set of dire economic circumstances close enough to those of the United States to merit American concern but distant enough to occasion a certain relief as well. The core fact in France is a persisting level of unemployment now running at an unspeakable postwar high of 12.8 percent. Center-right President Jacques Chirac and Prime Minister Alain Juppé, commanding the National Assembly, tried, but tried ineffectually, to stir growth and tame joblessness and to shrink social welfare costs and move France toward a single European currency. To get a boost for this project is why Mr. Chirac gambled on calling early parliamentary elections.

The voters responded on Sunday by moving defiantly to the center-left and to the protest parties, including the chauvinistic National Front. Notwithstanding Mr. Juppé's immediate sacrificial resignation, the center-left Socialists and the Communists are given a fair chance for a runoff victory. That would return France to the situation — a president and Parliament of different parties — that it knew twice in the 1980s.

The timid Chirac policies of stimulus and reform have been tested in government and found unattractive at the polls. But there are widespread doubts in France whether the center-left policies of a government led by Socialist Lionel Jospin would do much differently or better. He campaigned on a pledge to create 700,000 jobs (half in the public sector) for the young unemployed and to diminish weekly working hours from 39 to 35 to spread the available work. This is exactly opposite to the serious Thatcher-type free market reforms that would let France tackle the horrible situation where high social welfare costs keep business and government alike (the state runs half of the national economy) from creating new jobs.

Mr. Chirac is committed, but only wanly, to meeting the Maastricht targets for joining a single European currency, and Mr. Jospin even less so. Overall, the French see a strong and unified Europe as required not only to contain Germany but to ward off the specter of a global economy dominated by the United States. Yet French hesitation on reform undercuts the drive for Europe. This leaves France suspended between purposes that it seems unable either to accomplish or to alter. The second round of voting is not going to put an end to France's troubles.

—THE WASHINGTON POST.

Clinton Isn't Immune

The Supreme Court's unanimous ruling in the Paula Jones case on Tuesday and the certainty with which the president's arguments were dismissed lent strength to the opinion and left little room for maneuver at the White House. Using phrases including "unpersuaded by petitioner's historical evidence," "cannot be sustained on the basis of precedent" and "no support for an immunity for unofficial conduct," the court turned aside arguments that the constitution affords the president at least temporary immunity from civil damages litigation in cases where the acts at issue occurred before he took office and involved no official conduct. The president's attorneys may have made the best case they could devise, but the case was never there.

The details of Paula Jones's accusations are well known and were not resolved by Tuesday's decision. She won only the right to proceed in court to try to prove her case. The president, by the nature of his office, is still expected to be accorded respect and some flexibility in responding to the demands of a lawsuit. The justices clearly noted, for example, that the trial court should, although not required by the constitution to do so, accommodate the president's schedule, take testimony at the White House and allow delays in exceptional circumstances. But they brushed aside claims that national security or separation of powers problems required postponement of the trial until 2001.

It is true that after discovery has been completed and when the trial is about to begin, the president will have another opportunity to ask for a postponement. But his request carries no special weight because of his office and must be balanced against Ms. Jones's interest in proceeding to trial lest evidence be lost or witnesses die while there is delay.

What will happen now? One possibility is settlement, another that the two sides go to trial. A trial would likely be an embarrassment no matter how it turned out. But that is not a reason to deny a citizen normal access to the courts. That was part of the court's message, and we think the message is right.

—THE WASHINGTON POST.

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

ESTABLISHED 1887

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen

KATHARINE P. DARROW, *Vice Chairman*

RICHARD McCLEAN, *Publisher & Chief Executive*

MICHAEL GETLER, *Executive Editor*

• WALTER WELLS, *Managing Editor* • PAUL HORVITZ, *Deputy Managing Editor*
• KATHERINE KNORR and CHARLES MITCHELMORE, *Deputy Editors* • SAMUEL ABT and CARL GEWIRTZ, *Associate Editors* • ROBERT J. DONAHUE, *Editor of the Editorial Pages*
• JONATHAN GAGE, *Business and Finance Editor*
• RENÉ BONDY, *Deputy Publisher*
• JAMES McLEOD, *Advertising Director* • DIDIER BRUN, *Circulation Director.*
Directeur de la Publication: Richard McClean

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel.: (1) 41.43.93.00. Fax: Subscriptions, (1) 41.43.92.10; Advertising, (1) 41.43.92.12; News, (1) 41.43.93.38.
Internet address: http://www.iht.com E-Mail: iht@iht.com

Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. (65) 472-7768. Fax: (65) 274-2334
Mng. Dir. Asia, Rolf D. Krauspohl, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1188. Fax: 852-2922-1190
Gen. Mgr. Germany: T. Schlüter, Friedrichstr. 15, 60323 Frankfurt/M. Tel. +49 69/971250-0. Fax: +49 69/971250-20
Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785
U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802. Fax: (171) 240-2254
S.A.S. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337
©1997, International Herald Tribune. All rights reserved. *ISSN: 0294-8052.*

Trade Sanctions Aren't an All-Purpose Weapon

By Jeffrey E. Garten

NEW HAVEN, Connecticut — The struggle between the Clinton administration and Congress over renewing China's most-favored-nation trading status is a symptom of a much larger problem with American trade policy.

That is the growing tendency of Congress to use trade sanctions to pursue noneconomic goals, including protecting human rights, improving conditions for foreign workers, safeguarding the environment, stopping illegal drug trafficking and curtailing nuclear weapons sales. Those are worthy goals, but using trade sanctions to try to achieve them will only backfire.

Trade has never been more crucial to America's well-being. Exports have accounted for nearly a third of U.S. economic growth in the 1990s, and about 12 million people owe their jobs to sales of American products abroad.

Yet the administration's legal authority to conclude major trade negotiations has expired, and Congress will not renew it. The reason: The House and Senate cannot resolve whether the president's trade negotiators should be obligated to tie environmental and labor standards to all commercial accords. Thus the administration cannot, for example, pursue the creation of free trade areas in Latin America and Asia, two of the president's highest priorities.

Congress, pursuing other foreign policy goals, has broadened its use of unilateral sanctions, including embargoes on Cuba (to try to force collapse of the Castro government) and Iran (to express outrage against terrorism).

In the case of the most-favored-nation fight over China, it is no longer just the usual human rights concerns that critics are bringing up, but also complaints (fueled largely by the religious right) over Beijing's policies on birth control and its crackdown on unregistered evangelical churches.

Why won't trade sanctions help? First, Europe and Japan steadfastly refuse to use trade as a lever. Instead they merrily conclude their own commercial deals, such as ongoing French investments in Iran's oil production. By imposing sanctions unilaterally, America only incurs resentment among the countries it wants to influence, and undercuts its own companies, which are increasingly standard-bearers of American values and influence.

If Congress continues to use trade sanctions as a weapon, the United States will forfeit its leadership in the cause for open global markets.

Just look at South America, where Brazil is now trying to build a gigantic trade bloc along with Argentina, Chile and others, without U.S. participation. Or watch how Japan is spinning a commercial web from Seoul to Jakarta while Washington ties itself in knots over whether to let the president negotiate more trade agreements.

As billions of new consumers enter the world economy, trade will be ever more important to American living standards. The big emerging markets — China, India, Indonesia, Turkey, Mexico and Brazil — are growing two to three times faster than Europe and Japan. Already the United States exports more to the top 10 emerging markets than to Europe and Japan combined.

America's fastest-growing trading partners are the very countries that present the biggest human rights and security concerns. Why cut off American influence with them now?

In most cases, commercial diplomacy should be the leading edge of foreign policy, because free trade creates private wealth and opens ties between American and foreign businessmen. Those ties can create pressure for more democracy and encourage governments to loosen controls on their societies. It has happened in South Korea.

To relieve the pressure to link trade to other objectives, credible global policies on human rights, labor standards, weapons sales and environmental protection are needed. One approach is for Washington to help put teeth into UN agencies such as the International Labor Organization, which monitors treatment of workers worldwide but lacks the power to condemn countries with egregious labor practices.

If America substituted diplomatic pressure for economic sanctions to punish countries whose policies it most strongly opposes, it might find Europe and Japan more willing to do the same.

Washington should enlist American businesses, and powerful industry associations such as the Business Roundtable and the National Association of Manufacturers. Companies have so far been too hesitant to adopt higher standards for treatment of employees overseas and to invest in schools, hospitals and other community projects where they do business. They have the most to lose if Congress continues its heavy-handed ways.

The writer, dean of the Yale School of Management and a former undersecretary of commerce, is author of "The Big Ten: The Big Emerging Markets and How They Will Change Our Lives." He contributed this comment to The New York Times.

On China Trade, Congress Can Play the Tough-Cop Role

By William Safire

WASHINGTON — Mike Mansfield, the great Senate majority leader after Lyndon Johnson, offered an amendment every year to draw down American forces in Europe. President Richard Nixon and the foreign policy establishment regularly denounced it as isolationist.

Once, after a meeting with legislative leaders in the Cabinet Room, Mr. Nixon drew Mr. Mansfield aside to say: "Stick with that amendment of yours. I use it all the time to keep the Europeans in line."

The threat of congressional action redirecting foreign policy has been used by presidents skilled in quiet diplomacy. Their message to foreign leaders: If you don't make some concessions to American opinion, I won't be able to restrain my irresponsible legislators. Now here's how we can stop them ...

Bill Clinton doesn't seem to get the hang of that in dealing with China.

On the advice of business executives, and after the personal urging of Indonesia's James Riady, he threw away his economic leverage. Ever since he flip-flopped — not only betraying human rights supporters but ignoring China's arming of Iran — he has been all give and no take.

His preemptive concession in 1994 on low tariffs was based on the new China lobby's assurances that free trade would lead toward free enterprise and freedom of expression. But the result of three years' appeasement was drearily expressed in the State Department's latest report:

"All public dissent ... was effectively silenced by intimidation, exile, the imposition of prison terms ... No dissidents were known to be active at year's end."

Mr. Clinton's open-doormat policy is a failure. China rings up sales in the American market, strengthening its army's grip at home, while the White House wrings its hands.

Now the House of Representatives is considering the resumption of leverage. Last year it voted 2-to-1 to approve an extension of most-favored status. This year the vote will be much closer.

China's assault on U.S. interests has created a remarkable coalition. On the left, unions resisting free trade join liberals defending human rights and the integrity of Tibet to demand pressure on China. On the right, anti-Communist hard-liners find themselves linked with the Christian Coalition and Catholic bishops who oppose religious persecution and forced abortion.

So the heat is on Congress to act as "tough cop" to Mr. Clinton's "nice cop." The House's Democratic leader, Dick Gephardt, denounces "free market Stalinism," while the Republican leader, Dick Armey, publicly agonizes at switching from his support for most-favored status last year. Lawmakers have a free shot at voting their consciences and their constituencies because they know that the Senate will not override a Clinton veto.

Let the House send Beijing a message. A vote against most-favored trading status would strengthen the president's wet noodle of a hand and would not, this year at least, impose higher tariffs or harm the economy of Hong Kong.

Congress can strengthen Mr. Clinton's hand in this paradoxical way as well: by pursuing investigations into Chinese penetration of the White House and influence on American elections.

Asians set great store by "face." We are constantly reminded how any attempt to impose the value of freedom, or to restrain the arming of rogue states, would be taken as a terrible insult to the pride of China's new leaders. But what about American face?

While warning America loudly not to interfere in its internal affairs, China was secretly interfering in America's internal affairs.

Chinese spokesmen deny everything, but Zhou Enlai's heirs are highly sophisticated diplomats and intelligence agents. They know that Washington has tapes of taps on their Los Angeles consulate that show unlawful political fund-raising activity. They know that these could be declassified and played at a Senate hearing.

Prepare to take diplomatic offense, Mr. President. Let Beijing know that you will accept a "rogue operation" excuse, but only if it is accompanied by cooperation with the FBI, human rights gestures and restraint on arms sales. Otherwise, the nice-cop president will not be able to control that tough-cop Congress on low tariffs next time around.

The New York Times.

Nothing Special About 'Most Favored' Rates

THE term "most favored nation" is, regrettably, a misnomer, a relic of the 17th century. In fact, it designates the most ordinary, most normal trading relationship among countries.

Since the founding of our republic, the principle of nondiscrimination embodied in MFN has served as the cornerstone of U.S. international trade policy. In its most basic application, this principle requires a country to apply the same tariff rate to a particular product from one country that it applies to imports of the same product from all other countries.

And "most favored nation" tariff rates are not the lowest tariff rates that the United States applies. We have free trade arrangements with Canada, Israel and Mexico. We grant additional tariff preferences to developing countries.

In all, we grant tariffs lower than MFN rates to certain products from more than 130 nations.

— Senators William V. Roth Jr. and Daniel Patrick Moynihan, commenting in The Washington Post.

Despite Arafat, Signs of Palestinian Democracy Taking Root

By Jim Hoagland

WASHINGTON — To Daoud Kuttab, Jerusalem: Dear Daoud,

By the time this open letter reaches you, you should be back at work after a week as a political prisoner in a Palestinian jail in Ramallah. You are no doubt again carrying out the time-honored mission of journalists of your ilk: comforting the afflicted and afflicting the comfortable, whoever they are.

I think it is important to record some of the things that your friends were thinking and saying during your ordeal behind bars, before your release on Tuesday.

It was clear that Yasser Arafat and his cronies wanted to teach you a lesson and break your spirit, to prevent future disclosures about their misdeeds and problems. Fat chance. The Israelis could have told Mr. Arafat to forget it. They tried and failed during occupation days. Your stubbornness condemns you to speak truth to power, an occupational hazard in Jerusalem for at least two millennia.

Your arrest and detention on totally nonsensical charges have focused the attention of your friends and many others on the continuing descent of Mr. Arafat's Palestinian state-in-waiting into a morass of official corruption, human rights abuses and incompetence.

Your "crime," it seems, was to televise criticism of Mr. Arafat voiced in the Palestinian Legislative Council. The authorities jammed the signal. When The Washington Post wrote about that, Mr. Arafat assumed that you had disobeyed an order not to disclose this cheap attempt at censorship, and personally ordered your arrest.

He pumps dumdum bullets into both feet simultaneously. He has shifted the spotlight of world attention off Israeli Prime Minister Benjamin Netanyahu's combativeness in the peace process and onto his own weaknesses. He causes the world to focus not on what remains to be accomplished in the stalled peace negotiations but on what he has failed to do since the Oslo peace process began nearly four years ago.

He depends on international support, particularly on American pressure to get Mr. Netanyahu to move forward with concessions granted by the previous government in the Oslo accord. But the emerging mosaic of the chaotic condition of the Palestinian Authority, Mr. Arafat's quasi-governing executive, calls into question how much support he deserves.

Five days after your arrest, a 600-page report detailing how the Palestinian Authority has lost $223 million, or one-fourth of the 1997 budget, to corruption and mismanagement was leaked to the Palestinian media.

A day later, the Palestinian Human Rights Monitoring Group presented a report documenting abuse and torture of prisoners by the Palestinian security forces under Mr. Arafat's command. Two prisoners were beaten to death and 40 others physically abused in the last two years. Since 1994, at least a dozen Palestinian prisoners have died while in the security forces' custody.

Bassam Eid, head of the rights group, made an essential point in releasing the first comprehensive study of Palestinian human rights abuses under self-rule: "The Palestinian Authority is not set in its ways. It goes back and forth, reflecting indecision in regard to human rights. The problem is a lack of control over the security forces."

The key decisions on the Palestinian future do not lie now with Mr. Netanyahu but with the Palestinians themselves. The habits of guerrilla exile — the secrecy, duplicity and despotism, as well as the acquired taste for high living — have become barriers to developing a democratic leadership that can make moral claims on international support.

Mr. Arafat argues that Palestinians must maintain a united front against the Israelis, and internal politics must "take a back seat to the Palestinians' struggle for a fully independent state," the Los Angeles Times reports.

But the signs of democracy taking root — your determined reporting (in the newspapers, until Mr. Arafat had you fired and then on television), Mr. Eid's commitment to stigmatizing human rights violations committed by Israelis or Palestinians, the Legislative Council's independence from Mr. Arafat — demonstrate that Mr. Arafat has things precisely backward. Increasingly he sounds like a man intent on protecting his privileges, not his people.

That of course is the definition of oppression. You worked against oppression during Israeli rule. You then did something much harder: You did not let the dream of national liberation blind you to oppression practiced by your own leaders. You did not fall into the understanding silence that has enveloped too many journalists in emerging societies.

In jail or out, you are free in your soul and your thinking. That is the crime that petty despots cannot forgive.

The Washington Post.

For Israel, Ballots Against Bullets

By Amos Oz

ARAD, Israel — A bunch of fans appeared the other day at the gates of the Beersheba prison carrying cakes, flowers and gifts. They came to cheer up Yitzhak Rabin's murderer on his birthday and express their support for him.

When they were denied entry into the jail, those true believers were quick to pronounce Israel an "undemocratic state."

Actually, the cheerleaders for Mr. Rabin's murderer maintain that democracy is the plague. Yet they can seem to be using, even manipulating, this plague, including its press and media, more energetically, more skillfully than the seemingly exhausted defenders of Israeli democracy.

Even before Mr. Rabin was murdered, there seemed to be a sort of division of labor between the hateful, violent opponents of peace and of democracy, who controlled the streets and the squares, and the armchair-confined peaceniks and pluralists.

The armchair-theater crowd believes in tolerance, of course. But after the birthday party outside the Beersheba prison, perhaps the time has come to ask ourselves one simple question: Can our postmodern, post-ideological, multi-narrative tolerance tolerate this post-democratic, pro-murder stage play?

True, the murderer's admirers are a minority. They probably even regard themselves as an oppressed minority, persecuted by the "leftist-liberal courts," which violate their democratic right to express themselves by the pistol.

After all, they do not intend to impose their views on anyone. They just wish to promote murder, as others are entitled to preach against murder. Let the bullets and the ballots vie for public support, in the honored tradition of an open society, and let the better idea win.

This will eventually provide for a nice new national unity, since the bullet party will see to it that the ballot party shrinks in numbers so that when Mr. Rabin's murderer is released from jail he will get a unanimous hero's welcome from a unanimous, if smaller, nation.

This, then, is the proposition from the pro-assassination bunch who gathered the other day in front of the Beersheba prison. The only way to snip their proposition in the bud is for the armchair lot to take to the streets and demand that democracy remain the exclusive playground of democrats, and that pluralism and tolerance draw the limit precisely at the point where the rules of the game are challenged by violence.

The murderer's fans were absolutely right in their demand to see the jail from inside. The Israeli legislature, prosecutors and courts should see to it, and promptly.

Mr. Oz, the Israeli novelist, contributed this comment to the International Herald Tribune.
© Amos Oz, 1997.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Two New Saints

ROME — Never since the abolition of the Papacy's temporal power has the Basilica of St. Peter's witnessed so grand and impressive a ceremony as took place when the Pope canonized two new saints — Blessed Antonio Maria Zaccaria, founder of the canons regular of St. Paul, better known as Barnabites, and Blessed Peter Fourier, called the Apostle of Lorraine.

1922: Mexican Revolt

NEW-YORK — American refugees are arriving in Arizona from Sonora, where there is a serious uprising of Yaqui Indians. In many States fresh fuel is being added, with general Felix Diaz and his followers, joined by the Carranzistas, fanning the flames into life. The unrest throughout the country is said to be the preliminary to an organised rebellion to crush the Obregon régime. The American Government is watching its development with considerable anxiety, for revolutions in Mexico invariably give rise not only to trouble along the border, but to international incidents fraught with dangerous possibilities. Foreign concessions are usually the first to suffer.

1947: Somosa's Coup

MANAGUA, Nicaragua — General Anastasio Somosa declared that a plot to oust him from his post as head of the Nicaraguan National Guard led to the coup d'etat which forced President Arguella from office. Somosa acknowledged his leadership in the coup and asserted that President Arguella had begun to tamper with the National Guard, "which for years has kept peace in this country." "Nothing causes unrest to my conscience as a military man, nor as a patriot," he said.

OPINION/LETTERS

Clinton's Global Project: Pompous and Unneeded

By William Pfaff

PARIS — President Bill Clinton traveled to Europe this week as part of his second-term project to elaborate a new international system and win a statesman's reputation.

His purpose is to reaffirm the United States as "a European power," as the National Security Council chairman, Sandy Berger, has said, and to "build an undivided, peaceful and democratic Europe" permanently linked to the United States.

NATO expansion is indispensable to the plan — "a sweeping, broad, historic, strategic objective," according to Mr. Berger, promising an eventual achievement comparable to that of the Marshall Plan.

Mr. Clinton's program for Europe is accompanied by administration projects for "integrating the Asian-Pacific community," producing a comprehensive Middle East settlement, completing the Western Hemisphere free-trade union begun with NAFTA and solving various environmental, drug, terrorism and organized crime problems now pulled together under the responsibility of a newly appointed undersecretary of state for "global affairs" (former Colorado Senator Tim Wirth).

While inspecting Free French troops after the invasion in 1944, General de Gaulle came to a tank bearing the painted slogan "Mort aux Cons!" — death to idiots. "Vast project," was the general's dry comment. The same must be said of Mr. Clinton's second-term ambitions.

What is wrong with them? First, there is no need for his program. It will make trouble. A project to produce closer integration between the European Union and the United States cannot provide reciprocal advantages for its members because the U.S. Congress, parochial (by design) in its concerns and constituencies, is today largely isolationist in outlook and unilateralist in action.

Congress, moreover, undoubtedly reflects the temper of the country, which has reason to be preoccupied with domestic matters. It is unlikely that many Americans share Mr. Clinton's globalist ambitions.

The Senate may not even ratify the NATO expansion treaty.

Congress has already angered the allies with unilaterally mandated penalties on foreign companies and individuals doing business with what the United States regards as "rogue states," Cuba and Iran. A new trans-Atlantic commercial dispute arises from the European Union's recent bill of objections to the Boeing/McDonnell-Douglas merger.

The EU says the merger tends toward monopoly and brings illegal subsidies to Boeing from the Pentagon and NASA. Brussels threatens to bar Boeing from doing business in Europe. Neither Congress nor the administration are in a mood to take this.

Think of the trouble to come when the single European currency is created, the first serious rival the dollar has had since sterling was dethroned after World War I. Washington will no longer be able to allow the dollar to float, while the currencies of other countries are denoted in value with respect to the dollar. The European currency will become a rival reserve currency, meaning that American deficits will no longer automatically be financed by other countries.

These conflicts make it clear why the European Union has no interest in changing its relationship with the United States in any way that limits the EU's ability to defend its commercial interests.

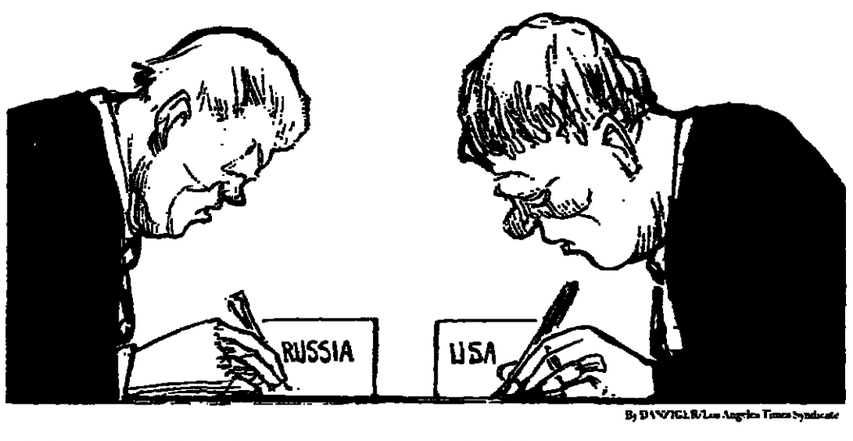
Mr. Clinton's people believe that it is NATO which does and should unite Europe, and that the EU should be functionally subordinate. That is a fundamental misreading of today's reality.

That is to speak only of Europe. In Asia, China is certainly not prepared to be incorporated into an American-led system. Nor is Japan willing to take an active part in a system directed against China. Japan is interested in Asian stability, not conflict.

The Marshall Plan and Truman Doctrine were realistic policies undertaken in a world crisis, in response to the appeals of weakened allies, with an awareness — as George Kennan wrote in the "X" document that formulated containment — that the test was one of national character and "spiritual distinction."

The new Clinton administration program is "spiritually" empty because fundamentally unserious, unrealistic and vainglorious, designed to glorify its authors and reward the administration's clients. There is no need for it, nor any desire for it among either allies or former enemies. Its promotion at the zenith of American power will generate the enmities that the abuse of power invites.

International Herald Tribune.
© Los Angeles Times Syndicate.



By DAVIGLB/Los Angeles Times Syndicate

They Stayed On in Algeria When the 'Wolves' Came

By John Kiser

WASHINGTON — Memorial services are being held throughout France to commemorate an execution that horrified the country a year ago. Seven Trappist monks in Algeria were decapitated after having been held hostage for two months by members of the Armed Islamic Group. The killers justified their work as pleasing to God, thus confirming the West's worst nightmares about Islam.

The monks died because they loved their neighbors, Muslims who loved them. "They were like our fathers," a mourner told a reporter last year.

There are those in the West for whom Islam has become synonymous with violence. But the monks' legacy will be perverted if their deaths are used only to confirm the worst expectations of Islam. They died in a spirit of love for another kind of Islam, one of believers seeking, like themselves, to draw closer to their common creator — an Islam that was ashamed of the killing done in its name.

The monks' kidnapping grew out of the violence that began in January 1992, when the Algerian government canceled the first democratic election since Algeria gained independence from France in 1962. Their deaths brought to 116 the number of foreigners assassinated in a war that now has cost an estimated 80,000 Algerian lives.

In early 1996 the government muzzled the press to convince the outside world that terrorism was under control. This only provoked the Armed Islamic Group, or GIA, to more spectacular attacks. In March of that year, the GIA kidnapped the seven Trappists, demanding the release of its members held in French and Algerian prisons in exchange for the monks' freedom.

Why were French Christian monks in Muslim Algeria 34 years after independence? Two million Europeans emigrated, but among the several hundred thousand who stayed were members of religious orders who were welcomed by the victorious socialist FLN government. In 1964, the Christian community was reincorporated under Algerian law as the Catholic Church of Algeria.

Proselytizing is forbidden in Algeria, but the monks of Notre Dame d'Atlas in Tibhirine, 100 kilometers south of Algiers, did not have to go out in search of souls. The souls came to them. The monks gave the local Muslims, who lacked a mosque, part of the monastery to use for daily prayer. They helped them read letters and learn French, they delivered babies, provided employment and treated them at their clinic.

To the Arab and Muslim alike, providing hospitality to strangers is the supreme act of courage and love. To their Algerian neighbors, the monks were "true Muslims" — hospitable, devoted in worship and without hypocrisy. They chose to risk death out of solidarity with the local Muslims, who had nowhere to flee and who risked death by associating with them.

"A good shepherd does not run away when wolves come," Bishop Pierre Claverie of Oran said at the monks' funeral. Less than three months later, he, too, was killed.

The testament of Father Christian de Chergé, written two years before his murder in Tibhirine, reveals a man who gave his life freely: "If the day comes that I am a victim of the terrorism that seems to be engulfing the world ... I would like my community, my church and my family to know that I gave my life for God and Algeria.

"I know the caricatures which a certain Islamic ideology encourages and which make it easy for some to dismiss the religion as something hateful. My death will justify the opinion of those who have dismissed me as naive. But such people should know that at last I will be able to see the children of Islam as He sees them, He whose secret joy is to bring forth our common humanity amidst our differences."

"We must water the seeds bequeathed by our monks," a Muslim woman wrote to the archbishop of Algiers after their murder. "Our duty is to pursue peace, love God and respect people who are different."

The author, who is writing a book about the monks of Tibhirine, contributed this comment to the International Herald Tribune.

MEANWHILE

LETTERS TO THE EDITOR

On Smoking

Bob Herbert *("Smoking's Ravages: 'Look What It's Done to Me,'" Opinion, May 13)* laments Yul Brynner's, Leonard Bernstein's and Alan Jay Lerner's deaths due to tobacco smoking.

Let them rest in peace! There is a huge difference between a powerful artist, eager to enjoy the pleasures of life, and a self-righteous jerk whining into his Diet Coke. You cannot ask a genius to behave like a hypochondriacal, gloomy puritan.

BERNARD COHEN.
Castillon Savès, France.

Regarding "Smokers Should Be Free to Puff and Suffer" (Opinion, April 24) by Robert J. Samuelson:

Smokers are among the primary reasons for the explosion of health care costs in the United States over the past 30 years. And contrary to Mr. Samuelson's claim that smokers do not impose huge costs on the rest of society, it is *my* insurance premiums that reflect the costs of caring for all those heart and lung diseases suffered by smokers.

It is not only smokers who "experience the pleasures and horrors of smoking." Smokers dirty our beaches, parks and sidewalks with discarded butts. They fill the air with eye-irritating fumes, they cost me 100 francs to dry-clean a dress every time I spend an hour in a closed café and they ruin too many fine French meals.

If smokers can come up with a way to isolate their health care and health insurance costs, find a way to keep their litter to themselves and, most important of all, keep their disgusting fumes out of my air, then they can puff and suffer to their hearts' and lungs' content.

MELONIE HOFSTETTER.
Paris.

'Artificial Outrage'

I write regarding "Italy May Allow Return of Monarch" *(Briefly, May 10)*, which referred to a rather artificial outrage in the Italian press over certain statements I was alleged to have made.

In fact, I was bluntly asked by a reporter whether I would apologize for something my grandfather did when I was one year old. I said no and tried to explain that my grandfather could not have refused to countersign a decree of the Fascist government. He did, however, try everything in his power to soften these laws.

My statement was transformed by some journalists into a defense of anti-Semitic laws.

VITTORIO EMANUELE.
Geneva.

One More Thing

Regarding "U.S. Economic Success Sends Out Ripples Around the Globe" (May 19):

One of the most important reasons for this success was not mentioned: the exploitation of working people by the corporate and financial *nomenklatura*.

Z. MICHALOWSKI.
Kitzbühel, Austria.

Where do you sell a franchise with ease?

In

THE INTERMARKET

The chance to spot a valuable business opportunity is good news for readers of the World's Daily Newspaper - and good business for you.

The place to meet buyers is the IHT's Intermarket. Featuring two pages of classified advertising, the Intermarket appears every Monday, Wednesday, Friday and Saturday. Can you afford not to be there?

A great deal happens at The Intermarket.
Call +44 171 420 0348

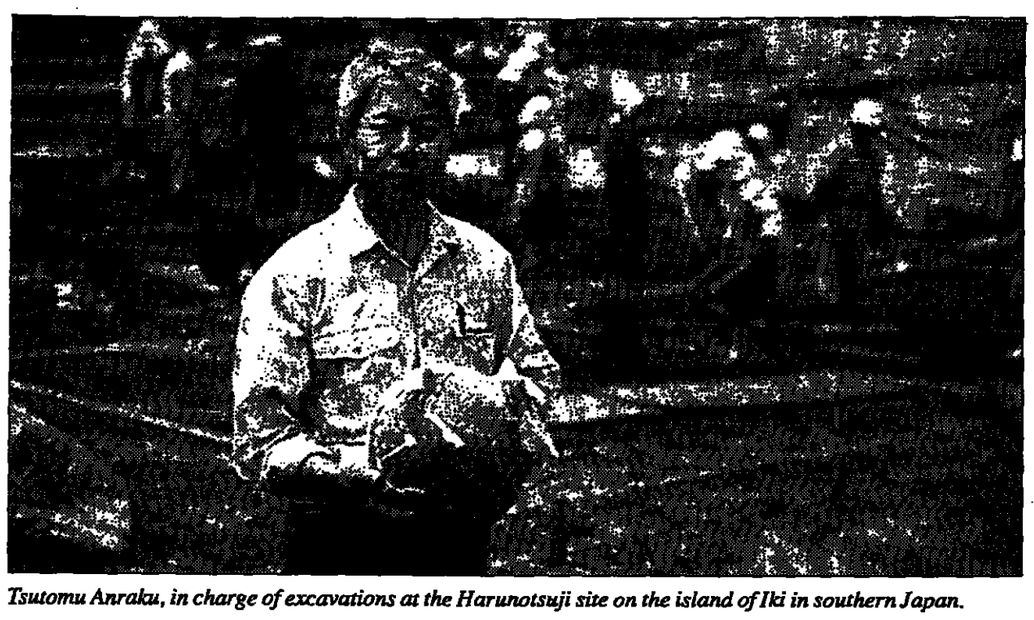
THE WORLD'S DAILY NEWSPAPER

FREE ELEPHANT

No seriously. You could win an elephant and a trip to Thailand, simply by reading the IHT. Look out for the upcoming ads.

HEALTH/SCIENCE

TOMORROW: LEISURE



Tsutomu Anraku, in charge of excavations at the Harunotsuji site on the island of Iki in southern Japan.

Unearthing Ancient Japan

By Velisarios Kattoulas
International Herald Tribune

ASHIBE, Japan — Nearly 100 years have passed since scholars stumbled across an ancient town that is now being hailed as the most significant Japanese archaeological discovery in this century.

Excavation at the Harunotsuji site took a back seat to Japan's invasion of Korea and China, World War II and five decades of single-minded economic development. It was also delayed by a minefield of Japanese real estate laws.

Finally, last year, archaeologists made a major breakthrough at the site on Iki, an island 25 kilometers (15 miles) off Kyushu, in southern Japan. They unearthed a 2,200-year-old port that has given scholars the most detailed glimpse yet into life in the 30 warring mini-states that dotted Japan during the Yayoi period (300 B.C. to A.D. 300).

Tsutomu Anraku, who is in charge of excavation at the site, contends that his team of 80, most of them old women working for $50 a day, could be just weeks away from another major discovery. This time he hopes they will uncover the first ship from the Yayoi period. Archaeologists have discovered only small dugout canoes from the period; a ship could help confirm theories that there was thriving trade between Japan, Korea and possibly China as long as 2,000 years ago.

"The Iki mini-state was too small to survive just on what could be grown there and on fish from the sea," Mr. Anraku said. "So we think it must have been trading with other parts of Japan, Korea and perhaps China to survive."

Historians found the Harunotsuji site at the turn of the century. They had found a detailed description of the Iki mini-state in the *Gishi wajinden*, a history of the Chinese Wei Dynasty (A.D. 220 to 265) that contains the first written references to Japan. The Chinese text mentioned many of the 30 mini-states by name but pinpointed the location of just Iki and one other, suggesting contact was greatest between those two and mainland Asia.

The highlight of the 100-hectare (247-acre) site is the port discovered in September 1996. It is 12 meters long, about 1.5 meters deep, 11 meters across at the surface and 7 meters across at the bottom. A river passes nearby and archaeologists believe it was diverted to flow into the port so that ships could dock there.

"Technologically, Iki appears to have been more advanced than most parts of mainland Japan during the Yayoi period," Mr. Anraku said. "At that time, we think, very little new technology was being developed in Japan so Iki had an edge over other mini-states because of its close contact with Korea, and possibly China."

In particular, archaeologists were impressed by the construction of the port. To prevent the wharf from washing away in the heavy storms that lash the island, it was built in layers held together by netting, following techniques developed in China more than 2,000 years ago.

The site has already given archaeologists many insights. They have unearthed graves on the outskirts of the settlement, which they believe had up to 3,000 households. People were buried in large conical pots or in shallow pits covered with slabs of stone. Because of the acidity of the soil, archaeologists found few human remains in the graves, but they discovered strings of glass beads from mainland Japan and coins and small mirrors from Korea and China, reinforcing theories that the island had regular contact with the two countries.

One of the biggest problems for archaeologists in Japan is the nation's complex real estate laws. Under those laws, they cannot sequester land easily and before excavation must obtain permission from landowners, a time-consuming task. That remains the biggest problem Mr. Anraku and his team face at the Harunotsuji site, which is owned by 104 people.

"I'd say there are still five or six landowners who haven't agreed to let us excavate their land," Mr. Anraku said. Excavation at the site started in 1949.

THIS year the Japanese government plans to designate Harunotsuji a national historical monument. That should make it easier for archaeologists to buy land. It won't solve all of Mr. Anraku's problems, including limited funds and a dearth of amateur archaeologists willing to work at the site for free. Nevertheless, it should help to speed up the excavations.

A Heated Debate on Fusion

By William J. Broad
New York Times Service

NEW YORK — Despite the end of the Cold War, a quiet battle is heating up in the U.S. government over whether weapon scientists should be allowed to press ahead with work toward a new generation of hydrogen bombs.

On Friday, the federal weapons laboratory in Livermore, California, is to break ground on a huge laser complex designed to ignite hydrogen without an atomic match. If successful, the laser would fire a titanic bolt of energy onto a tiny pellet of hydrogen fuel, heating it hotter than the surface of the sun and causing hydrogen atoms to fuse into helium in a burst of pure fusion energy. All this would occur at a $2.2 billion complex.

In the meantime, weapon scientists have been pursuing a number of smaller projects that strive at miniaturizing the machinery needed to ignite a fusion reaction and at shedding light on thermonuclear physics. Weapon scientists are lobbying to continue such work, saying it is permitted under the Comprehensive Test Ban Treaty, which bars nuclear explosions.

Treaties and experts who have tried to slow nuclear arms development have few objections to fusion machines based on gigantic matches bigger than a football field, but fears arise when proposed ignition systems are small, raising the prospect of pure-hydrogen bombs that can be easily transported to distant targets. So critics are denouncing the thermonuclear research as dangerous.

"The time has come for our nation to declare that it is not working, in any way, to develop further weapons of mass destruction," Dr. Hans A. Bethe, a primary architect of the first atomic bomb who is now at Cornell University, wrote President Bill Clinton late last month. Dr. Bethe pointed specifically to the danger of "pure-fusion weapons."

What especially disturbs arms controllers is that the fuel for hydrogen fusion is relatively easy to obtain and that a pure hydrogen bomb, if perfected, could in theory be very cheap to build. The main fuel for nuclear fusion is deuterium, an isotope of hydrogen that is ubiquitous in sea water.

BY contrast, atomic bombs are fueled by uranium, a scarce element that must be mined and its rare 235 isotope concentrated in an arduous industrial process or its 238 isotope transmuted into plutonium in a reactor. Either way, getting the ingredients for atomic bombs is so daunting that it has foiled many would-be atomic powers.

The hydrogen conflict is arising despite new obstacles to the making of all types of nuclear weapons.

The Comprehensive Test Ban Treaty, signed by Mr. Clinton in 1996 and endorsed by the United Nations, was written to halt the development of new weapons of mass destruction by imposing a global ban on nuclear detonations. The absence of explosive testing sharply increases the odds that a weapon will fail. The treaty bars "any nuclear weapon test explosion or any other nuclear explosion" and makes no distinction between the testing of atomic and hydrogen arms.

Despite the treaty, nuclear weapons laboratories and allies in Washington argue that the comprehensive test ban has a loophole that allows pure-fusion research, including explosive tests. And it is a good thing, they say. The research on pure fusion will aid recruiting of weapon scientists and hone weapons skills, helping the laboratories maintain the strength of the nation's nuclear arsenal.

But arms controllers argue that the United States now risks becoming not only the architect of unnecessary weapons but also a hypocrite in the eyes of the world.

Literature and Lepidoptera

By Steve Coates
New York Times Service

NEW YORK — Two lepidopterists have substantially completed an ambitious project begun 50 years ago by an extraordinary colleague: the novelist Vladimir Nabokov, author of "Lolita."

In the 1940s, Mr. Nabokov held a part-time position at the Museum of Comparative Zoology at Harvard University and published several papers on a widespread group of small blue butterflies known as Polyommatini, or blues. Among them was a seminal taxonomic classification of the Latin American, or neotropical, Polyommatini, which lepidopterists know casually as Mr. Nabokov's blues.

The two researchers say their recent work dispels longstanding doubts that Nabokov's pioneering study would stand the test of time. Moreover, they have paid honor to Mr. Nabokov by naming more than 25 recently discovered species of neotropical Polyommatini after characters or places in his novels, including one called Madeleinea lolita.

"The neotropical blues are in a sense Nabokov's territory," one of the researchers, Dr. Kurt Johnson, said in a recent interview. Dr. Johnson, a lepidopterist with the Florida State Collection of Arthropods, is one of the authors of "Nabokov as Lepidopterist: An Informed Appraisal," an article in the current issue of Nabokov Studies, an annual literary journal. The other authors of the article are Dr. Zsolt Balint, a lepidopterist at the Hungarian Museum of Natural History in Budapest, and G. Warren Whitaker, a New York lawyer.

Mr. Nabokov's passion for butterflies was much publicized after the success of "Lolita" in 1958. "It was as if Nabokov was a bigamist, as if he had two wives he loved passionately, literature and Lepidoptera," Dr. Brian Boyd, Nabokov's principal biographer ("Vladimir Nabokov: The Russian Years," Princeton University Press, 1990, and "Vladimir Nabokov: The American Years" Princeton, 1991), said in an interview.

But readers have never been in a position to judge the quality of Mr. Nabokov's scientific work, with cynics going so far as to label his lepidoptery as nothing more than an elaborate literary pose. "Eyebrows were raised when Nabokov published his research," said Charles L. Remington, professor emeritus of evolutionary genetics at Yale University. "A lot of people have been uneasy about how well his work would stand up under the scrutiny of good professionals."

"But Nabokov was remarkably capable, and so it was very good to have this high-quality work," he added, referring to Dr. Johnson and Dr. Balint's research. "No one before has done this kind of elegant morphological analysis of the Latin American blues."

Butterfly specialists sing the praises of the Nabokov blues.

Mr. Nabokov, a Russian aristocrat who fled the Russian revolution, fled yet again from the Nazis, arriving in the United States in 1940 at age 41. Beginning as a volunteer, he worked first at the American Museum of Natural History and later at Harvard, where he drew a salary of $1,200 a year. His classification of the Latin American Polyommatini appeared in the journal Psyche in 1945.

Mr. Nabokov did other significant work on butterflies, but Dr. Johnson maintains that his ultimate place in science will largely depend on that study. By outlining the taxonomy of the Latin American blues, a large and complicated group that was little known at the time, Dr. Johnson said, "Nabokov inevitably put his mark on that branch of entomology forever."

Dissecting a relatively small sampling of 120 specimens, Mr. Nabokov aimed primarily to divide the Latin American Polyommatini into genera, establishing a skeletal classification for them.

This approach to classification is called a "synoptic review," or abbreviated study, as opposed to the authors' more rigorous full technical "revision." Synoptic reviews are perfectly acceptable science, Dr. Johnson said, but susceptible to sampling error; when a larger percentage of the entire group can be examined, its taxonomy, and the appropriate nomenclature, may appear very different.

But Mr. Nabokov, increasingly devoted to his writing, did not pursue the work he had begun. Nor, the authors say, did anyone else. Until 1993, when their articles began to appear, along with work by other researchers, there was little scientific literature affecting the status of Mr. Nabokov's names.

With a flood of new specimens from biodiversity surveys in Central and South America, Dr. Johnson and Dr. Balint guess that up to 95 percent of the species of blue butterflies of the New World tropics can now be classified, making possible a well-informed judgment of Mr. Nabokov's achievement.

Mr. Nabokov named seven new genera of Latin American blues and restricted two genera that had been established previously; he named a new species and grouped 28 others into his new genera. Examining nearly 2,000 specimens, Dr. Johnson and Dr. Balint have recognized three additional genera, none of whose members Mr. Nabokov ever saw, and have themselves discovered more than two dozen species to add to Mr. Nabokov's classification. Of Mr. Nabokov's seven generic names, Dr. Johnson and Dr. Balint consider five still valid today, a success rate they say is excellent, given the circumstances under which Mr. Nabokov worked.

BOOKS

RAYMOND CHANDLER: A Biography

By Tom Hiney. 210 pages. $26. Atlantic Monthly Press.

Reviewed by Jonathan Yardley

RAYMOND Chandler detested the intelligentsia, and with ample reason. He accurately believed, as Tom Hiney writes, that "the entire intellectual establishment was in a state of terminal self-delusion, cut off from the public it despised," and he disputed the notion that, in his own words, the only creative people were "bloodless intellectuals who sit just at the edge of the lamplight and dissect everything in dry little voices." He kept things in perspective:

"To these people, literature is more or less the central fact of existence. Whereas, to vast numbers of reasonably intelligent people it is an important sideline, a relaxation, an escape, a source of inspiration. But they could do without it far more easily than they could do without coffee or whiskey."

The considerable irony is that Raymond Chandler is now a darling of the very intelligentsia he despised. His novels and pulp stories are taught in college courses that seek to elevate "hard-boiled" fiction to the literary ether, his name is evoked reverently at the Modern Language Association and in intellectual quarterlies, and not long ago he was granted admission to the Library of America.

It is a pity that Chandler, who died in 1959 after punishing his liver quite literally to death, is not around to witness all of this. He took pride in his detective novels and film scripts, knew they were more serious and of more lasting value than most thought at the time, and was pleased when an occasional reviewer or critic saw his work for what it really was. But he never tried to puff more into his work than it could hold, and surely he would be astonished to find it so reflexively venerated.

He was a strange and fascinating man. Born in America, reared and educated in England, he tried his hand at airless literary poetry, then moved to the United States and knocked about from job to job before almost accidentally landing a position in a California oil syndicate. He was paid lavishly, and had enough money set aside so that when he was fired for alcoholism in 1932, he could underwrite his deliberate, systematic attempt to turn himself into a writer. His apprenticeship was long, and for much of the time he must have wondered if it would ever end; he wrote a couple of dozen stories for pulp magazines, chiefly Black Mask, and his first two novels — "The Big Sleep" and "Farewell, My Lovely" — sold poorly at first, despite the firm conviction of his publisher, Alfred A. Knopf, that they were work of genuine merit and popular appeal.

His call to Hollywood came in 1943. It provided a necessary break from the isolation in which he had been writing for a decade, and he shared none of the intelligentsia's condescension toward the movies and those writers who "sold out" for fat paychecks. In a difficult but rewarding collaboration with Billy Wilder, he wrote a classic screenplay, "Double Indemnity," and worked on several other films of not-inconsiderable distinction. The first adaptations of his own novels were sloppily done by others, but in time movies, as well as books, made Chandler's private eye, Philip Marlowe, as famous as Sam Spade or Perry Mason.

Marlowe was more interesting than either of those. Private-eye fiction seems to be a vehicle through which writers can create imaginative, romanticized representations of themselves, and Chandler was a far more interesting man than either Dashiell Hammett or Erle Stanley Gardner. Marlowe was "a hard-drinking hero who combined everything that Raymond Chandler was, wished he was and feared he might be." Marlowe began to take shape in Chandler's mind in his last years with the oil syndicate: "Both men were lonely drinkers working in Los Angeles. Both were good at jobs which they found distasteful and both, to some extent, were addicted to physical danger." And: "On the surface, Marlowe was as lonely, unsociable and self-persecuting as was Chandler, but beneath that lay a sense of honor and of humor, as well as sensitivity." It was a perfect combination of self-portrait and invention: "If it was the Raymond Chandler side of Philip Marlowe that made the detective so much more three-dimensional than other pulp heroes, then it was equally Marlowe who brought out the best in Chandler." Philip Marlowe was the middle ground between Chandler the self-indulgent English poet and Chandler the production-line American pulp writer. Each, on the evidence of 'The Big Sleep,' seemed ideally capable of curbing the cliches and excesses of the other."

TOM Hiney has read Chandler carefully and astutely. Himself English, he stresses the English aspects of Chandler's upbringing and character perhaps a bit more heavily than is warranted. On the things that matter, Hiney is very good: Chandler's rocky yet happy and life-giving marriage to a woman two decades his senior; the correspondence into which he retreated as a means of maintaining human contact while in isolation, correspondence that is itself a substantial literary monument; his strange, pathetic relationships with women after his wife's death; his dependence on drink — hard drink, in incredible doses — and his inability to shake himself of it, earnestly though he occasionally tried. Hiney has kept his biography to a reasonable length, analyzed his subject's work with precision and perception, and presented a persuasive case that not merely was Chandler a writer of real consequence, he was also "a good man and an honest one."

Jonathan Yardley is on the staff of The Washington Post.

BRIDGE

By Alan Truscott

THE final of the Reisinger Knockout Team Championship, one of the oldest and most prestigious events in the game, was contested recently by squads headed by Roy Welland of Manhattan and William Ehlers of West Orange, New Jersey.

In one semifinal, the Welland team, which includes Christal Henner-Welland, Elizabeth Reich and Brad Moss, all of Manhattan; Lapt Chan of Forest Hills, Queens, and Jon Heller of Brooklyn, won by 6 imps, defeating the top-seeded team led by Glenn Milgrim of Manhattan.

In the other semifinal, Ehlers and his teammates, John Rengstorff and Jeff Aker of Manhattan, Michael Kopera of Brooklyn, Richard deMartino of Riverside, Connecticut, and John Stiefel of Wethersfield, Connecticut, defeated August Boehm of Manhattan and his team by 49 imps. The Ehlers squad built up a big lead in the first half of the match, in part because of the diagramed deal.

One would expect North to reach three no-trump and succeed easily, and this happened when the Ehlers team held the North-South cards. The only killing lead was a diamond, an impossible choice for East in normal circumstances.

But in the replay, as shown, Kopera opened the West hand with one diamond. This psychic move was popular 40 years ago, when it was part of the Roth-Stone system, but was generally abandoned because it often led to problems for the psycher. For Kopera and his partner, Aker, the risk was substantially reduced because they use a mini-no-trump showing 10-12 points. Since East could not have that hand, it was unlikely that he would head toward game with disastrous consequences.

The opening bid was ruin for North-South. With a diamond lead impending, three no-trump was not appealing and would have failed. The partnership landed in four spades which would have succeeded on a good day. This was not a good day, however, and South, playing in the expectation that West held the club king, went down four tricks and lost 14 imps. He could have done somewhat better, but it would have made hardly any difference to the imp score if he had saved a trick or two.

NORTH
♠ A 10 2
♡ A K 5 3
◇ A 6
♣ A Q J 3

WEST
♠ K 9 7 4
♡ 9 8 6
◇ K 10 7 4 3
♣ 8

EAST (D)
♠ 8 3
♡ Q J 7 4
◇ Q 9 5
♣ K 7 6 4

SOUTH
♠ Q J 6 5
♡ 10 7
◇ J 8 2
♣ 10 9 5 2

Both sides were vulnerable. The bidding:

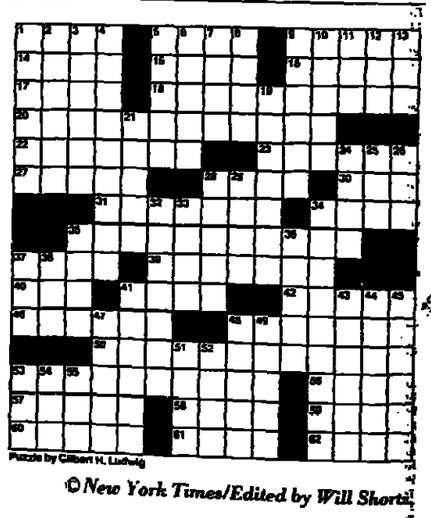
East	South	West	North
Pass	Pass	1 ◇	Dbl.
Pass	1 ♠	Pass	2 ◇
Pass	2 ♠	Pass	4 ♠
Pass	Pass	Pass	

West led the diamond four.

CROSSWORD

ACROSS
1 Thriving time
5 Seed covering
9 Make meek, in a way
14 Bring down
15 Kierkegaard, e.g.
16 Poolside turban
17 Scene of W.W. I fighting
18 "Black Beauty" author
20 Mourning
22 "Keep it up, fella!"
23 Don't believe it!
27 Pond dwellers
28 Ice —
30 — populi
31 Sighting off the California coast
34 Spiffy
35 Noone
37 Newscaster Paula
39 Relents
40 Prefix with propyl
41 Screen
42 Can't take — an answer
46 Play by 21-Down
48 Film maker?
50 Knight
53 Slapstick, e.g.
56 Falkirk citizen
57 Harry Connick Jr.'s "— and a Smile"
58 Lots of bucks
59 Some story
60 Brisk
61 Lith. and Azer., once
62 Suffix with huck

DOWN
1 Patronizes
2 At the scene
3 One-named folk singer
4 Subject for St. Thomas Aquinas
5 Hersey's bell town
6 Tall and wiry
7 Places to overnight
8 Rachel's sister
9 Singer Nicks
10 Author Barbara of "Laughing All the Way"
11 It's inspired
12 Football Hall-of-Famer Blount
13 Wing
19 Writer de Beauvoir et al.
21 See 46-Across
24 Maintain
25 Former part of Portuguese India
26 Inside no.
28 Blue-ribbon
29 Unhurried gait
32 Unfair employers
33 Word after over or clover
34 Family providers?
35 "Girl"
36 Piano pro
37 Move to the side
38 Soda —
41 Hard to open
43 Contributor of big bucks
44 Mr. Chips portrayer, 1969
45 Flat dweller
47 Perform loustily
48 Freud contemporary
49 Many teamsters
51 Former Fords
52 They fit in sockets
53 Tube top
54 Take credit?
55 Earth orbiter



Puzzle by Gilbert H. Ludwig

© New York Times/Edited by Will Shortz

Solution to Puzzle of May 28

B	B	C		C	H	I	A			S	E	L	L	I
O	R	E		H	O	O	F		D	E	Y	O	I	D
R	U	S	S	I	A	N	R	O	U	L	E	T	T	E
I	N	T	E	N	D		I	B	E	G		S	E	A
S	T	A	R	E		A	C	E	T	I	C			
		A	S	A	N				A	R	M	E	Y	
E	R	S		E	L	I	A		S	N	E	E	R	E
D	U	T	C	H	E	L	M	D	I	S	E	A	S	E
I	T	A	L	I	C		P	A	T	H		D	E	R
T	H	R	O	B			Z	E	E	S				
		T	I	B	I	A	E		E	A	T	M	E	
A	T	L		S	A	N	D		S	P	R	E	A	D
F	R	E	N	C	H	C	A	N	A	D	I	A	N	S
R	A	D	I	U	S		M	O	T	O		L	I	E
D	P	A	L	S			S	M	O	G		S	A	L

AGENCE CHAMPS ELYSEES
Furnished apartments, 3 months or more or unfurnished, residential areas.
Tel Paris: +33 (0)1 42 25 32 25
Fax Paris: +33 (0)1 45 63 37 09

هكذا من الأصل

...ient Japan

Lepidoptera

Herald Tribune INTERNATIONAL

BUSINESS/FINANCE

THURSDAY, MAY 29, 1997

OECD Takes A First Step In the Battle Over Bribery

By Barry James
International Herald Tribune

PARIS — In agreeing to outlaw certain forms of business bribery, the world's leading industrial nations have taken a step toward putting some flesh on what until now has been a skeleton of pious hopes.

The measure adopted by ministers meeting here aims to make it illegal, as it has been in the United States since 1977, to bribe foreign public officials to obtain or maintain a contract.

"It takes care of the supply side," said a senior U.S. official. "It does not deal with the demand side." In other words, now comes the hard part: How do you actually get officials to stop seeking to line their pockets?

Nevertheless, "it is a major breakthrough," said Jeremy Pope, managing director of Transparency International, a Berlin-based organization that campaigns against business corruption. "We are delighted."

The agreement to have a convention ready for ratification by the end of the year was adopted by the 29-nation Organization for Economic Cooperation and Development.

France and Germany have long sought such a convention, arguing that unless everyone was bound by the same sets of rules, countries would cheat. The United States feared that negotiating a convention would be an invitation to foot-dragging. They agreed on a compromise over the weekend aimed at ensuring that the convention goes into effect by the end of next year.

The measure does not prevent companies from bribing other companies, but it does go to what experts consider the heart of the matter — attempting to criminalize corrupt payments to any appointed or elected public official, whether he works for a government or an international organization.

It also urges countries that have not yet done so — notably France and Germany — to forbid companies from deducting such bribes from their taxable incomes. OECD officials said the problem of the bribes was something for the World Trade Organization to deal with.

David Aaron, U.S. ambassador to the OECD, said there would be two excuses that companies would not be allowed to make once the convention had been adopted: "It wasn't a lot of money," and "Everyone does it."

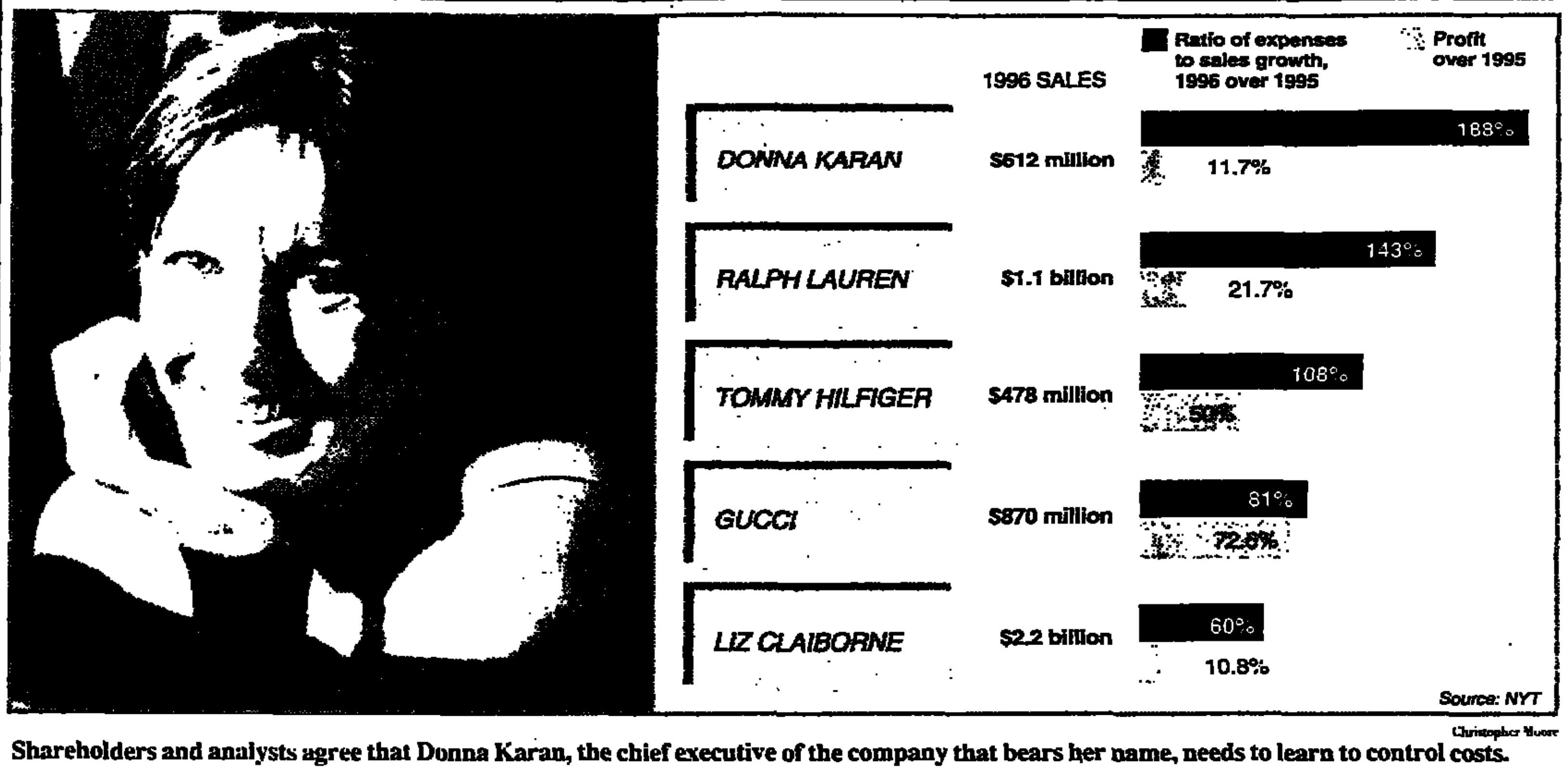
But officials acknowledged that it would be difficult to put a stop to an almost universal culture of "dash," "baksheesh" and "commissions."

The problem is not confined to corrupt regimes in developing countries. A poll of members of the previous House of Commons in Britain indicated that half of the of members of Parliament — more than 300 — thought it was quite all right to accept bottles of whiskey as gifts at Christmas. Others said it was all right to accept free vacation trips, tickets for sporting events or gifts in connection with parliamentary duties.

No one admits to enjoying paying the bribes, but countries say they have to do it because their rivals do; and there is a tendency to point the finger at others while minimizing the importance of the problem at home.

Even the U.S. secretary of commerce, William Daley, professed ignorance when a reporter asked him to comment on allegations that agents for International Business Machines Corp. had paid $37 million in bribes to win a contract at the Argentine national bank — allegations that had been headline news in South America for months. IBM last year dismissed its top Argentine executives for what it called "poor business judgment."

Mr. Pope said bribery did not always win contracts, but he said: "It marks you as someone with a soft touch for money. Once you establish yourself as a cash cow, someone will come with a bucket. And if you train sales staff to lie, cheat and handle money off the books, don't be surprised if they use the same methods against you."



Christopher Moore

Shareholders and analysts agree that Donna Karan, the chief executive of the company that bears her name, needs to learn to control costs.

Can Donna Karan's Scissors Cut Costs Too?

By Jennifer Steinhauer
New York Times Service

NEW YORK — No one seems to agree on the exact line in the budget where the principals of Donna Karan International Inc. will wield the knife. Perhaps it will be the trips to Africa and the Far East in search of design-inspiring *objets d'art*. Or the victim could be a few thousand yards of imported cashmere.

But there are some things on which Wall Street analysts, fashion denizens and angry investors concur: Donna Karan, the chief executive of the company that bears her name, spends too much money, and her spending has cost investors their shirts.

The fashion house is expected to announce a major cost-cutting initiative aimed at getting back on track, now that the initial public offering last June of Donna Karan International is turning out to be one of the most embarrassing retail deals of the past year.

As the stock of Polo/Ralph Lauren prepares to trade, the fashion houses of Calvin Klein and Versace contemplate going public and Tommy Hilfiger and Gucci enjoy fat profits, it is achingly clear that fashion companies are not inherently bad investments.

But Donna Karan's is a company whose operational savvy has never lived up to its creativity. Indeed, Donna Karan International has stumbled into nearly all of fashion's pitfalls.

First is the spending. The company's costs are growing much faster than its sales, a problem that has dogged it for years. According to a dozen people with knowledge of her business, Ms. Karan, who declined to be interviewed, pushes expansion with little regard for the capital and infrastructure needed to

INTERNATIONAL MANAGER

support it and spends prodigiously on a high-end line with limited sales appeal.

Critics say the company suffers from a distinct lack of administrative control. Stephen Ruzow, the chief operating officer, has been unable to rein in his boss's spending; Wall Street has grumbled for months that no one appears to be managing the bottom line.

Further, critics have questioned the role played at the company by Ms. Karan's husband, Stephan Weiss, a part-time deputy chairman whom the company declined to make available for comment. People close to the company said his hardball negotiating style left Donna Karan International without a crucial licensing deal this year, stripping the company of cash it had counted on to grow.

Last quarter, Donna Karan International's revenue slipped to $158.7 million from $159.5 million a year earlier, while the company's costs grew 6 percent. Operating income fell more than 95 percent, to $482,000 from $13.4 million. The stock, which closed at $28 on its first day of trading last June 28, closed unchanged Wednesday at $11.125.

This month, Ms. Karan's chief administrative officer, Dewey Shay, left without explanation after only five months on the job; the planned sale of the cosmetics and fragrance division, another potential source of badly needed cash, has been delayed as the company negotiated with four potential buyers.

Costs have been a thorny issue for Ms. Karan's company for years — and for years she has promised to cut them. But in the first months of this year, while sales were falling or flat in its apparel divisions, the company added staff, increased travel and opened new outlet stores.

Several people said that Mr. Ruzow, a former executive of Warnaco Inc. who many say shares the credit for Donna Karan International's past achievements, had told Ms. Karan to cool the traveling and other expenditures.

"Steve says, 'You're not sending 32 people to Europe to look for fabric,' and she says, 'Well, I am,' and he loses face with the troops," a person close to the company said.

Mr. Ruzow, however, said the moment of truth was finally here.

"That will not be happening again," he said in a telephone interview. "I can't say it more firmly. There will not be a dollar spent that is not in that budget."

But this is not the first time the company has pledged to cut costs. In 1994, the company, then privately held, laid off 3 percent of its work force, made small trims in each division's budgets and promised to chop advertising budgets. But when Ms. Karan put her mind to a new outlay, promises were broken.

Part of the problem for Donna Karan International, as with other fashion companies, is that creativity is hard to manage.

"It is difficult for an outsider to say, 'Gee, that's unnecessary,'" said M. William Benedetto, a Donna Karan board member and chairman of Benedetto, Gartland & Greene, an investment advisory firm that serves as a paid consultant to the company. "Going off to collect objets d'art may be a modest

See KARAN, Page 15

LVMH Aims To Derail Big Merger

Luxury-Goods Maker To Use Guinness Option

Compiled by Our Staff From Dispatches

PARIS — LVMH Moet Hennessy Louis Vuitton SA moved Wednesday to block the planned merger of Guinness PLC and Grand Metropolitan PLC in a tactic that analysts said was certain to delay if not derail the $20 billion deal.

LVMH said it was exercising an option to buy distribution rights for most Guinness products in the United States, France and Asia for at least 10 years, calling into question the benefits of the Guinness-GrandMet merger.

But Guinness and GrandMet said LVMH could not legally exercise its option, and Guinness reiterated its confidence that the merger would go ahead.

The move by the chief executive of LVMH, Bernard Arnault, followed his opposition to the deal as a member of the Guinness board — a position he would lose if the merger came about. Mr. Arnault wanted to combine the drinks businesses of the three companies.

Analysts said that the prospect of a long legal battle was now casting a shadow over the proposed merger.

"Arnault is doing this to try and maximize value for his own shareholders," said Nick Lyall of Societe Generale Strauss Turnbull. "Whether it is judicially correct remains to be seen. What is clear is that we appear to be entering into a complex legal battle."

Edouard de Boisgelin of Merrill Lynch said, "I'm not sure whether this will block the merger of Guinness and GrandMet, but it could slow it down."

LVMH owns 14.2 percent of Guinness, having cut its share by one-third earlier this year. After Guinness's merger with Grand Met, LVMH's stake in the new company would be 6.6 percent.

Shares of all three companies fell. Guinness shares fell 2.4 percent, to 581.5 pence ($9.48) and GrandMet fell 2.5 percent, to 581.5 pence. LVMH shares declined 1.3 percent to 1,395 French francs ($242.60).

LVMH said it would also move to buy back, at a discount of no more than 15 percent, Guinness's 34 percent stake in the champagne and cognac company Moet Hennessy. LVMH owns 66 percent of Moet Hennessy.

Guinness and LVMH's 50-50 joint distribution ventures include Schieffelin & Somerset in the United States, which markets Guinness's Johnnie Walker and Dewar's scotches, Tanqueray gin and LVMH's Moet & Chandon champagne and Hennessy cognac. Guinness also has its own U.S. distribution unit, which markets Gordon's gins and vodkas and Scoresby and John Begg scotches.

GrandMet owns Smirnoff vodka, J&B scotch, the Burger King restaurant chain and Pillsbury Co.

A spokeswoman for LVMH said that as part of its original agreement with Guinness, disputes would be arbitrated by the International Chamber of Commerce in Paris. So far neither side has called for arbitration. Any legal decision surrounding the move would fall under French jurisdiction, she said.

It will be up to Guinness to bring the case before the French courts if it wants to stop the buyback, the LVMH spokeswoman said. *(Bloomberg, AFX)*

French Stocks Plunge on Reports of a Lead for Left

Compiled by Our Staff From Dispatches

PARIS — French stocks plunged for the second time in three days on Wednesday on reports that private polls showed the opposition Socialists likely to win the second round of the legislative elections on Sunday.

The benchmark CAC-40 share index closed down 3.63 percent, or 97.17 points lower, at 2,583.17.

The drop was less pronounced than the 3.9 percent fall on Monday, which was the biggest one-day fall in four years, and followed a 0.96 percent gain on Tuesday. Monday's fall was the biggest drop in four years.

The franc slipped to below a key level of 3.38 per Deutsche mark and the Bank of France said it had no comment on rumors it was defending the currency. (Page 12)

Traders said private polls showed the Socialists winning a majority in Sunday's runoff elections. Credit Suisse First Boston went as far as forecasting a Socialist victory, warning investors that French stocks could decline by 10 to 12 percent over the three weeks after the elections.

Under French law, it is illegal for opinion polls to be published one week before the election. That does not preclude polling organizations from conducting polls for private customers or publishing them outside of France.

News of the opinion surveys sparked a wave of sales by British investors, traders said. Investors are worried that a left-of-center government, with strong ties to trade unions, might block efforts to implement the layoffs and other work-force reforms deemed necessary to increase corporate competitiveness.

The Socialist program, "even watered down, would be negative for corporate profits," said Eric Chaney, senior economist at Morgan Stanley in Paris.

"The momentum in Paris is very negative," said Frederic Sauvegrain, a European equity trader with CSFB in London.

"Everything that's labor-intensive is getting hit. All the companies in need of restructuring are bound to suffer from a Socialist win."

Banks, such as Banque Nationale de Paris SA, and carmakers, such as Renault SA, led the decline.

Renault, 46 percent owned by the French state, fell 11.40 francs to 133.10 ($23.17). Investors fear that a Socialist victory could keep the carmaker from making the job cuts needed to return to profit. *(Bloomberg, Reuters)*

Intel Answers Digital Suit by Filing One of Its Own

Compiled by Our Staff From Dispatches

SANTA CLARA, California — Intel Corp. sued Digital Equipment Corp. on Wednesday for breach of contract and raised the possibility that the chipmaker may stop sales to Digital, two weeks after Digital accused Intel of patent infringement.

Intel sued for the return of documents and materials regarding Intel's Pentium chip and related technology that is used to build personal computers. Intel also asked Digital to clarify statements by top executives about a long-standing "supply agreement." Intel said no such agreement existed other than the standard purchase orders from Digital.

"We owe it to our shareholders to make sure that a company making claims against us doesn't have access to our most confidential information," an Intel spokesman said.

The suit seeks only the return of the property and does not involve a claim for financial damages.

Intel stands to lose little because Digital is not a huge customer and other computer makers will gladly buy the excess processors, analysts said. Executives of Digital were not available for comment. When Digital sued Intel, it said that the chipmaker used technology in 10 Digital patents in its Pentium Pro and Pentium II processors.

Intel sells about $250 million of products to Digital each year and buys about $40 million from the computer maker. Intel-based PCs represented 26 percent of Digital's product revenue in its latest financial year.

Digital's stock closed at $35.875 on the New York Stock Exchange. Intel's shares ended $1.9325 lower at $167.375 on the Nasdaq stock market. *(Bloomberg, AFX)*

CURRENCY & INTEREST RATES

Cross Rates

May 28

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.9075	3.126	1.1253	0.3328	0.1126*	—	5.451*	1.3494	1.6545*	1.381	1.3255*
Brussels	35.285	57.28	20.6415	6.107	2.0898*	18.3425	—	24.89	0.3032	25.45	24.4025*
Frankfurt	1.7035	2.785	—	0.2961	0.1012*	0.8898	4.8442*	1.1992	1.47*	1.2312	1.181*
London (a)	1.6382	—	2.7796	9.3967	2,755.53	3.1279	57.3012	2.3391	189.2221	2.2639	235.344
Madrid	143.827	235.147	84.551	25.038	8.451*	75.142	4.0957	101.425	124.341*	104.00	—
Milan	1,677.85	2,748.60	985.85	292.80	—	876.40	47.71	1,182.59	14.497	1,213.80	11.68
New York (b)	—	1.6390	1.6955	5.7295	1,683.00	1.9073	35.00	1.431	115.865	1.3838	144.00
Paris	5.7453	9.3926	3.3776	—	0.3416*	3.0017	0.1636	4.0517	4.9631*	4.1546	3.9805*
Tokyo	116.98	190.71	68.60	20.32	0.695	61.03	3.3148	82.32	—	84.53	0.8135
Toronto	1.3801	2.2675	0.817	0.2407	0.0822*	0.726	3.957*	0.9812	1.1946*	—	0.961*
Zurich	1.4157	2.3228	0.838	0.2476	0.0846*	0.7442	4.0532*	—	1.2259*	1.0235	0.9866*
1 ECU	1.1498	0.7033	1.9559	6.686	1,934.02	2.2008	40.3761	1.6305	133.104	1.5901	165.586
1 SDR	1.3917	0.8512	2.3707	7.9955	2,340.77	N.Q.	40.9617	1.9757	142.614	1.9236	200.412

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York at 4 p.m. and Toronto rates at 3 p.m.

*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9986	Greek drac.	272.35	Mex. peso	7.898	S. Afr. rand	4.4735
Australian $	1.3096	Hong Kong $	7.742	N. Zealand $	1.4491	S. Kor. won	892.2
Austrian sch.	11.996	Hung. forint	181.73	Norw. krone	7.0775	Swed. krona	7.6816
Brazil real	1.0712	Indian rupee	35.815	Phil. peso	26.37	Taiwan $	27.88
Chinese yuan	8.3216	Indo. rupiah	2440.5	Polish zloty	3.23	Thai baht	25.77
Czech koruna	33.08	Irish £	0.6633	Port. escudo	172.13	Turkish lira	139315.
Danish krone	6.4776	Israeli shek.	3.3971	Russ. ruble	5759.5	UAE dirham	3.6705
Egypt. pound	3.3952	Kuw. dinar	0.2995	Saudi riyal	3.75	Venez. boliv.	484.00
Fin. markka	5.1245	Malay. ring.	2.511	Sing. $	1.4296		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6332	1.6321	1.6310	Japanese yen	115.33	114.81	114.33
Canadian dollar	1.3797	1.3769	1.3740	Swiss franc	1.4138	1.4085	1.4034
Deutsche mark	1.6970	1.6930	1.6894				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo).

Libid-Libor Rates

May 28

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 1/2 - 5 5/8	3 - 3 1/8	1 - 1 1/8	6 5/16 - 6 7/16	3 5/16 - 3 7/16	1/2 - 5/8	4 - 4 1/8
3-month	5 11/16 - 5 3/4	3 1/16 - 3 3/16	1 7/16 - 1 9/16	6 7/16 - 6 9/16	3 5/16 - 3 7/16	1/2 - 5/8	4 1/16 - 4 3/16
6-month	5 7/8 - 5 15/16	3 1/8 - 3 1/4	1 1/4 - 1 3/8	6 5/8 - 6 3/4	3 1/2 - 3 5/8	9/16 - 11/16	4 1/16 - 4 3/16
1-year	6 1/8 - 6 3/16	3 1/4 - 3 5/16	1 1/4 - 1 1/2	6 15/16 - 7	3 9/16 - 3 11/16	13/16 - 7/8	4 1/4 - 4 3/8

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8 1/2	8 1/2
Federal funds	5 1/2	5 1/2
90-day CDs dealers	5.69	5.67
180-day CP dealers	5.62	5.62
3 month Treasury bill	5.01	5.00
1-year Treasury bill	5.55	5.54
2-year Treasury bill	6.28	6.26
5-year Treasury note	6.63	6.62
7-year Treasury note	6.70	6.69
10-year Treasury note	6.78	6.78
30-year Treasury bond	7.02	7.02
Merrill Lynch 30-day RA	5.01	5.00
Japan		
Discount rate	0.50	0.50
Call money	0.46	0.45
1-month interbank	0.54	0.53
3-month interbank	0.56	0.54
6-month interbank	0.64	0.62
10-year Govt bond	2.89	2.86
Germany		
Lombard rate	4.50	4.50
Call money	3.03	3.05
1-month interbank	3.15	3.15
3-month interbank	3.20	3.20
6-month interbank	3.25	3.25
10-year Bond	5.91	5.90

Britain		
Bank base rate	6 1/4	6 1/4
Call money	6 3/8	6 3/8
1-month interbank	6 3/8	6 3/8
3-month interbank	6 9/16	6 1/2
6-month interbank	6 3/4	6 11/16
10-year Gilt	7.25	7.22
France		
Intervention rate	3.10	3.10
Call money	3 5/16	3 5/16
1-month interbank	3 3/8	3 3/8
3-month interbank	3 5/16	3 5/16
6-month interbank	3 9/16	3 5/8
10-year OAT	5.86	5.82

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	344.75	342.80	—0.70
London	344.70	342.80	—0.85
New York	344.70	345.30	+0.60

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (June.)

Source: Reuters.

Camel Ads Under Fire

U.S. Agency Says They Target Children

The Associated Press

WASHINGTON — The Federal Trade Commission on Wednesday charged R.J. Reynolds Tobacco Co. with unfair advertising practices, alleging that its Joe Camel campaign was aimed at children.

The accusation against the second-largest U.S. cigarette maker comes after investigators uncovered new information that was not available when the commission initially exonerated Joe Camel three years ago.

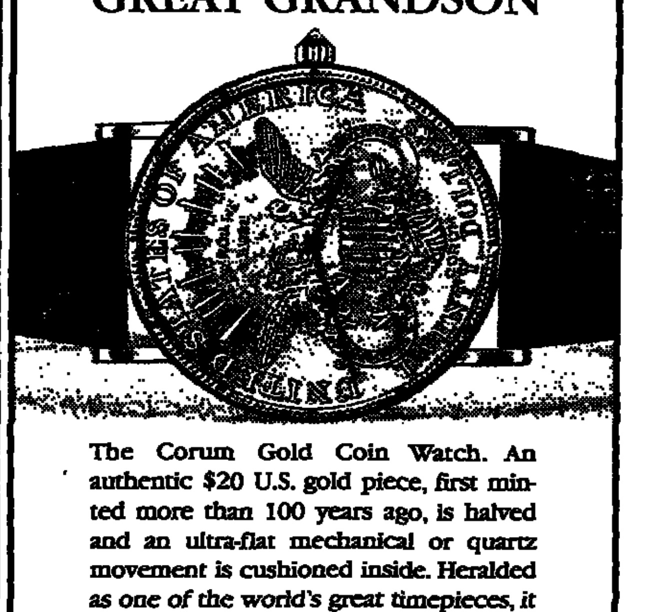
Officials would not provide details of the commission's vote, nor did RJR comment immediately. The company has continued to defend Joe Camel, the cartoon character in dark sunglasses who lounges on billboards and in magazine ads, throughout the controversial campaign.

In 1994, commissioners voted, 3 to 2, not to sue RJR over the Camel campaign, but the commission's staff reopened the investigation last summer after a bipartisan petition was drawn up by 67 members of the U.S. House of Representatives.

Joe Camel was a focus of the Food and Drug Administration's own tobacco investigation, which culminated in the agency's taking steps to curtail sales of tobacco to minors.

The Food and Drug Administration had passed documents to the commission, which regulates advertising, including government statistics showing that the Camel brand's share of the youth market jumped substantially after the popular ad campaign began.

A LITTLE SOMETHING FOR YOUR GREAT GREAT GRANDSON



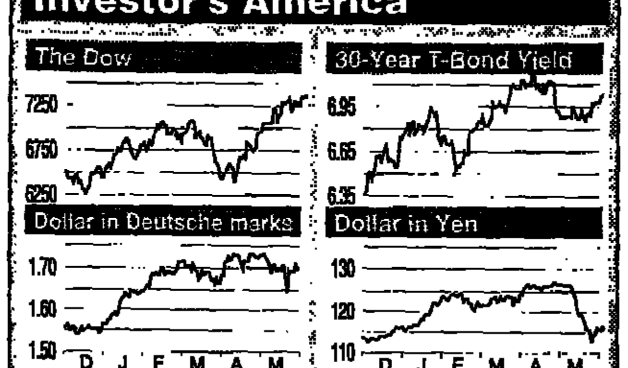
The Corum Gold Coin Watch. An authentic $20 U.S. gold piece, first minted more than 100 years ago, is halved and an ultra-flat mechanical or quartz movement is cushioned inside. Heralded as one of the world's great timepieces, it is prized as an heirloom to be passed on from generation to generation.

CORUM
Maîtres Artisans d'Horlogerie
SUISSE

For information write to Corum, 2301 La Chaux-de-Fonds, Switzerland.

THE AMERICAS

Investor's America



Exchange	Index	Wednesday @4PM	Prev. Close	% Change
NYSE	The Dow	7357.23	7383.41	-0.35
NYSE	S&P 500	847.21	849.71	-0.29
NYSE	S&P 100	831.30	835.59	-0.51
NYSE	Composite	439.86	440.67	-0.20
U.S.	Nasdaq Composite	1410.18	1409.21	+0.07
AMEX	Market Value	600.79	598.44	+0.39
Toronto	TSE Index	6388.80	6402.59	[illegible]
São Paulo	Bovespa	11996.65	12133.79	[illegible]
Mexico City	Bolsa	3898.94	3961.29	-1.57
Buenos Aires	Merval	759.69	765.28	-0.72
Santiago	IPSA General	5558.58	5518.58	+0.72
Caracas	Capital General	N.A.	6868.52	[illegible]

Source: Bloomberg, Reuters International Herald Tribune

Very briefly:

Owens-Corning to Buy Fibreboard

DALLAS (AP) — The building-materials maker Owens Corning said Wednesday it had agreed to acquire Fibreboard Corp., a maker of vinyl siding, for about $600 million.

The deal would be Owens Corning's 16th acquisition in three years and the largest to date.

Owens Corning said the purchase would strengthen its line of building materials while providing Fibreboard with the resources for continued growth. Fibreboard shares rose $6.8125 to close at $54.3125, while Owens Corning was up 50 cents at $41.625.

- **Charles Schwab Corp.**'s shares rose after the stock was selected to become part of the Standard & Poor's 500 Index as of the close of trading Friday. Schwab closed $2.875 higher at $38.75.
- **A sexual-harassment lawsuit** filed by three former employees of Astra USA Inc. was dismissed by a judge in Massachusetts, the Boston Globe said, because the three had failed to file a complaint with the state's anti-discrimination panel within 180 days of the alleged incidents.
- **U.S. Office Products** bought **Childcraft Education Inc.**, a maker of educational toys and children's furniture, from **Disney Enterprises Inc.**
- **Florida's** pension board, which manages $65 billion in assets, voted to sell the state's $824 million in tobacco shares, making it the largest public fund to decide to get rid of holdings in tobacco companies.
- **Bank of New York Co.** agreed to buy the institutional and custody businesses of Wells Fargo & Co. Terms were not disclosed.
- **Volkswagen AG** plans to spend $250 million to expand one of its plants in Argentina, the newspaper El Cronista reported in Buenos Aires. The investment is expected to enable VW to produce transmissions for the revamped Beetle model that will be produced in Mexico. *Bloomberg, WP*

Trouble Ahead for AT&T-SBC

Regulatory and Legal Barriers 'Like Putting a Man on Moon'

By Leslie Helm and Greg Miller
Los Angeles Times Service

As executives from the telecommunications giants AT&T Corp. and SBC Communications Corp. proceed with merger talks, the dark clouds looming over the discussions are the costly and perhaps insurmountable legal and regulatory obstacles any deal would face, leading antitrust and telecommunications specialists say.

> Any merger effort 'will take a long time, and it's a dangerous mission.'

"It's like putting a man on the moon," said David Roddy, chief telecommunications economist at Deloitte & Touche and a former member of the Justice Department's antitrust division. "It can be done, but it won't be easy. It will take a long time, and it's a dangerous mission."

A deal between America's biggest long-distance company and its biggest provider of local phone service would face the scrutiny of the Justice Department, Federal Communications Commission, Federal Trade Commission, public utilities commissions, state attorneys general and Congress. Any of those entities could kill the deal.

Under the Telecommunications Act of 1996, which overhauled U.S. telephone laws with the intention of increasing market competition, SBC would be required to show there would still be adequate competition before it would be allowed to enter the long-distance market or merge with AT&T. SBC "is still a monopoly, and they are supposed to stay out of the long-distance business until they've solved the local-monopoly problem," said William Baxter, a Stanford University professor who led the original effort to break up AT&T as head of the antitrust division under President Ronald Reagan. "This is Ma Bell all over again."

The Justice Department recently approved two deals that consolidated the local phone companies known as the Baby Bells. SBC completed its acquisition of Pacific Telesis Group on April 1, and Bell Atlantic Corp.'s $23 billion purchase of Nynex Corp. is pending.

An AT&T-SBC merger, however, would have far higher hurdles to clear.

This month, the Justice Department refused to allow SBC to provide long-distance service to its own customers in Oklahoma because it had failed to demonstrate there would be competition.

AT&T's decision to merge with SBC may suggest that establishing competition in local markets is more difficult than reformers had hoped.

"It sounds like AT&T has concluded that the only way they can compete at the local level is to buy the local monopoly," said Stephen Messer, a research fellow at the Columbia Institute for Tele-Information in New York. "If AT&T can't compete, how can anyone else compete?"

Wall Street Tumbles On High Bond Yields

Compiled by Our Staff From Dispatches

NEW YORK — Stocks fell Wednesday, led by drug and beverage companies, as bond yields above 7 percent lured some investors away from equities.

"The relative value of stocks to bonds is so much in favor of bonds that you have to bite," said Robert Streed, a money manager at Northern Investment Counselors.

The Dow Jones industrial average closed 26.18 points lower at 7,357.23. On Tuesday, the Dow set a record at 7,383.41. In the broad market, the Standard & Poor's 500-stock index fell 2.50 points to 847.21. The Nasdaq composite index gained 0.97 point to 1410.18.

The yield on the benchmark 30-year Treasury bond rose 1 basis point to 7.03 percent, with the price at 95 even, down 2/32.

Interest rates were little changed in bond trading despite news that orders to U.S. factories for durable goods rose 1.4 percent in April, exceeding forecasts. The data ran counter to other recent signs that economy may be slowing enough to keep inflation under control without a rise in U.S. interest rates. Fed action "is going to be dependent on what kind of information comes out in the next few weeks," Robert Alley of AIM Advisors said.

Drug and beverage companies were hit hardest as the long bond's yield stayed above 7

U.S. STOCKS

percent for a second day. Merck, a drug company, fell 1¼ to 92⅛, and Coca-Cola fell 1⅛ to 67¾.

DuPont dropped 2¼ to 109½ after Merrill Lynch cut its investment rating on the chemicals company, citing lackluster European demand and a possible U.S. economic slowdown that would cut demand.

Nike climbed 3⅞ to 64 amid unconfirmed reports that Berkshire Hathaway's Warren Buffett was acquiring the shares. Geico, an insurance company owned by Berkshire Hathaway, holds Nike shares.

Networking stocks rose as investors gained confidence that sales growth of computer networking equipment is likely to resume. 3Com stock led the rally, rising 4⅞ to 51⅛. Cisco Systems gained 5/16 to 69 1/16. *(Bloomberg, AP)*

HFS Holds Firm Focus on Growth

New York Times Service

NEW YORK — Ever since he founded Hospitality Franchise Systems Inc. in 1990 by buying the Howard Johnson restaurant franchise and the domestic Ramada Inn system, Henry Silverman has been unrelenting in the pursuit of two goals: acquiring new franchises and driving the stock price higher.

He has so far been remarkably successful on both counts. By agreeing to merge his company, now called HFS Inc., with CUC International Inc., HFS has made a bold move to ensure that it will continue to do so for the foreseeable future, analysts said.

HFS announced Tuesday it would merge with CUC in a stock swap valued at $11 billion.

GOLD: *Kohl Defies the Bundesbank*

Continued from Page 1

increasingly serious plight in making ends meet, thus complicating its hopes for leading the creation of a single European currency.

Although it boasts the most important economy and strongest currency in Europe, Germany is now in the embarrassing position of not being able to meet the stringent standards it insisted that all participants in the euro meet.

In its strongly wordedstatement, the Bundesbank said: "With a payout in the year 1997, the reference year for the choice of participating nations in monetary union, the danger exists of a loss in trust in the stability of the future European currency."

The bank also disputed the Bonn government's argument that tapping hidden reserves through such a gold revaluation would count toward a lower deficit under the rules of the treaty on European union.

Undaunted by criticisms from the Bundesbank and from French Socialist leaders, a phalanx of Bonn's leaders, including Chancellor Kohl, issued a statement late Wednesday in which they promised to seek a revaluation this year. The statement, also signed by Mr. Waigel and the government's parliamentary leader, Wolfgang Schaeuble, said such a move "made sense" and was "responsible."

"We want to uphold the standing and independence of the Bundesbank," Mr. Waigel said in an interview. "It makes sense to do this in 1997. What makes sense in 1999 cannot be wrong in 1997."

In the past, the government has gone out of its way to appease the Bundesbank, an institution influential enough to set interest rate benchmarks for the entire Continent.

In the interview, Mr. Waigel also countered remarks by Mr. Jospin.

"We learn that the German minister of finance is planning to revalue the country's gold reserves differently to make it easier to meet the Maastricht criteria," the French Socialist said. "Our German friends, who are so rigorous about their criteria, are looking to see if they cannot fudge things."

Mr. Waigel replied: "If Mr. Jospin said that, then I can put his mind at rest. We are not engaging in any tricks. And we will stick to the rules."

Dollar Slips on Talk of an EMU Delay

Compiled by Our Staff From Dispatches

NEW YORK — The dollar slipped Wednesday amid speculation about a delay in European monetary union and talk of higher Japanese interest rates.

Foreign-exchange markets were also affected by political uncertainty in France and a spat between the Bundesbank and the German government over gold assets.

The French franc was brought down against the mark by rumors that opinion polls had shown the left likely to win the final round of the parliamentary election in France on Sunday. Dealers said the French and Spanish central banks had intervened to support the franc. In Paris trading, the Deutsche mark rose to 3.3776 francs from 3.3767.

Meanwhile, the Bundesbank issued a statement condemning a plan by Finance Minister Theo Waigel to

FOREIGN EXCHANGE

revalue gold reserves as a means of reducing debt in the national accounts to qualify for the launch of a European monetary union.

"The Bundesbank realizes that the market is not going to accept a fudging of the EMU criteria, and there's been a move back into Deutsche marks," Henry Wilkes of Bank Julius Baer in London said. "If EMU gets delayed, you're going to see a situation where the mark gets stronger again."

At 4 P.M., the dollar was at 1.6955 DM, off from 1.7055 DM on Tuesday and 115.865 yen from 116.670 yen. Yasuo Matsushita, the governor of the Bank of Japan, said the bank would maintain its policy of low interest rates but that the rise in Japanese bonds and stocks and the yen reflected the market's changing view of Japan. The dollar fell to 5.7295 French francs from 5.7595 francs and to 1.4110 Swiss francs from 1.4204 francs. The pound rose to $1.6390 from $1.6311. *(Bloomberg, AFP)*

A WEEK IN THE LIFE OF THE IHT

Monday MONDAY SPORTS
Tuesday STYLE
Wednesday STAGE/ENTERTAINMENT
Thursday HEALTH/SCIENCE
Friday LEISURE
Saturday-Sunday ART/THE MONEY REPORT DAVE BARRY

Plus Daily
POLITICS AND ECONOMICS
BUSINESS AND FINANCE
OPINION AND COMMENTARY
THE ARTS
THE PEOPLE COLUMN
FILM
BOOKS AND TRAVEL
BRIDGE AND CHESS
THE NEW YORK TIMES CROSSWORD
A LIVELY ARRAY OF COMICS
PRIZE WINNING REPORTERS

Don't miss out. Make sure you get your copy of the IHT every day.

Herald Tribune
THE WORLD'S DAILY NEWSPAPER

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	7368.81	7391.14	7308.72	7357.23	-26.18
Trans	2676.72	2678.57	2651.75	2655.76	-21.73
Util	219.28	221.39	219.17	220.56	+0.87
Comp	2285.39	2289.47	2269.73	2279.77	-8.85

Standard & Poors

	High	Previous Low	Close	Today 4 P.M.
Industrials	1007.75	993.75	1006.26	1002.58
Transp.	621.74	615.76	618.03	613.20
Utilities	191.62	189.96	191.37	191.72
Finance	94.68	93.20	93.35	93.38
SP 500	851.53	840.96	849.71	847.21
SP 100	837.62	826.34	835.59	831.30

NYSE

	Close	Prev.
Advanced	1322	1242
Declined	1188	1305
Unchanged	849	827
Total issues	3359	3374
New Highs	171	204
New Lows	11	10

Nasdaq

	High	Low	Last	Chg.
Composite	1413.70	1403.71	1410.19	+0.98
Industrials	1129.50	1123.92	1128.07	+2.79
Banks	1470.99	1463.59	1469.33	+3.14
Insurance	1523.00	1509.28	1516.25	+6.13
Finance	1782.87	1775.29	1779.84	+1.42
Transp.	939.30	926.41	929.99	-10.58

AMEX

High	Low	Last	Chg.
600.83	598.37	600.78	+2.34

Dow Jones Bond

	Close	Chg.
20 Bonds	102.00	— 0.01
10 Utilities	98.98	+0.07
10 Industrials	105.02	— 0.10

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
CUC Intl s	131637	25	23	23⅝	-1⅜
BayNtwk	97172	25½	23¾	25¼	+2½
IBM s	88937	91⅞	88⅝	90	+⅜
AT&T s	84241	37⅝	36⅝	37	-½
WatgEl	77394	19¾	18⅞	19¾	+9/16
Micr97	73532	43⅝	41⅞	43¼	+⅜
PhilMor s	67804	44⅞	43¾	43⅞	-⅛
NikeB s	63613	66⅛	60¼	63⅝	+3⅞
Seagate s	58479	44⅞	42¾	44⅜	+1½
HFS	45161	57⅜	54⅛	54½	-4⅛
Cablim s	43414	46½	43½	46	+3
PepsiCo	38455	37⅜	36¼	37¼	+¼
GenElec s	38378	61⅛	60½	61⅛	+¼
ColHCA s	37491	37⅜	36¼	36⅝	
Citicorp	35152	114¼	111⅜	112½	-1

Nasdaq

	Vol.	High	Low	Last	Chg.
3Com	247737	51⅛	48⅛	51⅛	+4⅞
Intel	137381	169¾	165½	167⅝	-2 7/16
Cisco	113439	70⅛	68⅝	69 1/16	+5/16
BostChk	107798	18⅞	17¼	18¼	-⅝
WorldCm s	79885	26⅛	25⅞	26⅛	+⅜
Ascend	78299	60	55⅛	59½	+4
US Robt	77021	88⅞	82⅜	88½	+7¾
Microsft s	65173	127¾	124⅞	125⅞	-⅛
DellCpt s	60967	115⅝	112	115⅝	+2⅞
ForeSys s	60587	16⅛	14⅞	16⅛	+1⅜
SunMic s	55598	34⅛	33⅛	33 9/16	-5/16
Biogen s	51099	34⅜	32⅛	32⅜	-1⅛
S3 Inc	50875	13¼	12⅛	13	+1½
CascCm	49598	40⅛	37¼	40½	+2⅝
EricTel	44347	36⅛	34⅞	35⅝	-¼

AMEX

	Vol.	High	Low	Last	Chg.
Fibrbd	17193	54⅜	54¼	54 5/16	+6 13/16
GoldCR	6950	8⅛	7⅞	8⅛	+⅛
SPDR	6918	85	84 23/32	85⅛	-¼
TWA	6454	7 9/16	7⅜	7⅛	+⅛
ViacB	6349	30¼	29 9/16	30⅛	+5/16
XCL Ltd	5344	⅛	3/32	7/32	—
Ampex	5253	6⅞	6¼	6⅞	+½
Amdhl	4718	8⅝	8⅛	8 7/16	+3/16
JTS Corp	3615	1 5/16	1⅛	1⅛	-1/16
TelOfa	3276	38½	37	38½	+1¼

Trading Activity

NYSE

	Noon	Prev.
Advanced	1238	1242
Declined	1022	1305
Unchanged	938	827
Total issues	3198	3374
New Highs	165	204
New Lows	9	10

Nasdaq

	Noon	Prev.
Advanced	1592	2113
Declined	1528	1944
Unchanged	2213	1671
Total issues	5333	5728
New Highs	93	189
New Lows	77	73

Market Sales

AMEX

	Noon	Prev.
Advanced	221	296
Declined	205	260
Unchanged	170	172
Total issues	596	728
New Highs	21	45
New Lows	4	16

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Burlingtn Res Coal	-	.1608	6-2	6-13
Carlton Comm	b	.4961	7-11	8-29
LL&E Royalty	-	.0265	6-5	6-13
Scudder Hg	-	.02	5-27	5-30
WPP Group	b	.2326	6-13	7-21
STOCK				
Comco Fincl	-	5%	7-11	7-21
Citizens Util A&B	-	1.6%	6-2	6-30
STOCK SPLIT				
CrescentRE Eq	c	5-30	—	
c 1-10th of a share of Crescent Oper for each share held.				
HFB Fincl 5 for 3 split.				
Home Depot 3 for 2 split.				
Reliance SteelAlum 3 for 2 split.				
State Bancorp 6 for 5 split.				
INCREASED				
Alliance Wld	M	.1275	6-6	6-20
Comco Fincl	Q	.13	7-10	7-21
Eldorado Bncp	Q	.11	6-2	6-9
Energy West	Q	.11	6-13	6-27
Fst Virginia	Q	.39	6-30	7-21
Home Depot	Q	.075	6-12	6-26
Home Fed Bncp	Q	.125	6-20	7-1
SL Industries	S	.04	6-6	6-13
Southside Bncshrs	Q	.17	6-8	6-15
REDUCED				
ACM Gv Spectrum	M	.0475	6-6	6-20
INITIAL				
Interchange Fin n	-	.135	6-20	7-17
Latin Am Casinos	-	.05	5-30	—
Philip MorrisCos n	-	.40	6-16	7-10
Scott & Stringfllw n	-	.09	7-1	7-15
Stet Societa Fin n	-	.767	6-20	7-11
Stet societa A n	b	.885	6-20	7-11
RESUMED				
PCA Intl	-	.07	6-11	7-2
REGULAR				
Bk Nova Scotia g	Q	.37	7-2	7-29
CT Energy	Q	.33	6-13	6-30
Chateau Commun	Q	.43	6-30	7-15
Deere & Co	Q	.20	6-30	8-1
Enova Corp	Q	.39	6-10	7-15
Ipalco Enterpr	Q	.25	6-20	7-15
Longisland Lght	Q	.445	6-18	7-1
PP&L Resources	Q	.4175	6-10	7-1
Tecumseh Prd	Q	.30	6-13	6-27
Valley Ntl Bncp	Q	.275	6-6	7-1
Vestaur Secur	Q	.27	6-30	7-17

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration. a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y - ex-dividend and sales in full. yld - yield. z - sales in full.

INTERNATIONAL FUTURES

May 28, 1997

Grains

	High	Low	Latest	Chge	Opint
CORN (CBOT) 5,000 bu minimum- cents per bushel					
Jul 97	269¾	264	269½	+5⅛	119,839
Sep 97	258	253½	257½	+3½	30,178
Dec 97	255½	252¼	255¼	+3¼	114,279
Mar 98	261½	258	261¼	+3	12,438
May 98	265	262½	265	+3	1,229
Jul 98	269	266	269	+3¼	3,240
Dec 98	257	254½	256¾	+1¾	3,224
Est. sales N.A. Tue's. sales 69,100					
Tue's open int 284,685 off 341					
SOYBEAN MEAL (CBOT) 100 tons- dollars per ton					
Jul 97	280.70	276.80	280.30	+3.30	49,157
Aug 97	261.90	257.40	261.40	+2.90	15,612
Sep 97	242.20	238.70	241.50	+2.00	9,972
Oct 97	227.50	224.10	227.50	+2.50	10,481
Dec 97	219.50	215.70	219.00	+2.60	20,237
Jan 98	214.00	212.00	215.50	+1.50	2,101
Est. sales N.A. Tue's. sales 31,928					
Tue's open int 110,335 off 696					
SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb					
Jul 97	24.02	23.29	23.97	+0.68	50,534
Aug 97	24.17	23.60	24.14	+0.66	14,813
Sep 97	24.30	23.75	24.27	+0.64	9,073
Oct 97	24.25	23.75	24.25	+0.61	8,944
Dec 97	24.50	23.85	24.45	+0.64	18,434
Jan 98	24.65	24.15	24.65	+0.40	1,290
Est. sales N.A. Tue's. sales 14,900					
Tue's open int 103,415 up 568					
SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel					
Jul 97	851	830½	849½	+18¼	90,768
Aug 97	807	788	806	+15½	24,016
Sep 97	717	705	713	+7½	8,816
Nov 97	675	663	669¾	+4¾	51,122
Jan 98	676½	667½	674	+5½	6,058
Est. sales N.A. Tue's. sales 87,656					
Tue's open int 183,374 off 357					
WHEAT (CBOT) 5,000 bu minimum- cents per bushel					
Jul 97	368	357	367	+3½	47,004
Sep 97	375	365	372¾	+1¾	14,641
Dec 97	387	377	384¾	+1¼	17,467
Mar 98	389	379½	387	+1	1,504
Est. sales N.A. Tue's. sales 26,192					
Tue's open int 81,148 off 414					

Livestock

	High	Low	Latest	Chge	Opint
CATTLE (CMER) 40,000 lbs.- cents per lb.					
Jun 97	65.57	64.52	65.40	+0.50	25,533
Aug 97	65.60	64.80	65.42	+0.15	41,048
Oct 97	68.90	68.47	68.62	—0.15	18,902
Dec 97	71.25	70.95	71.07	—0.17	10,119
Feb 98	71.55	71.25	71.27	—0.20	5,009
Apr 98	73.22	73.00	73.00	—0.25	2,045
Est. sales 16,714 Tue's. sales 15,922					
Tue's open int 102,777 up 923					
FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.					
May 97			76.27		1,582
Aug 97	78.72	78.30	78.45	—0.45	10,963
Sep 97	78.30	77.90	78.10	—0.35	2,093
Oct 97	78.30	77.95	78.12	—0.37	3,269
Nov 97	79.75	79.32	79.35	—0.37	1,939
Jan 98	80.15	79.65	79.75	—0.25	467
Est. sales 1,923 Tue's. sales 2,972					
Tue's open int 18,907 off 1533					
HOGS-Lean (CMER) 40,000 lbs.- cents per lb.					
Jun 97	80.90	79.50	79.85	—1.35	10,612
Jul 97	81.55	79.85	79.95	—1.90	10,478
Aug 97	79.60	77.85	77.85	—2.00	7,895
Oct 97	71.85	69.92	70.15	—1.77	5,838
Dec 97	69.70	67.72	67.85	—1.87	3,638
Est. sales 14,438 Tue's. sales 11,075					
Tue's open int 41,213 up 670					
PORK BELLIES (CMER) 40,000 lbs.- cents per lb.					
Jul 97	91.20	88.90	88.90	—3.00	6,354
Aug 97	90.20	88.02	88.02	—3.00	1,788
Feb 98	76.85	74.50	75.00	—2.50	405
Est. sales 1,190 Tue's. sales 2,758					
Tue's open int 8,574 off 10					

Food

	High	Low	Latest	Chge	Opint
COCOA (NCSE) 10 metric tons- $ per ton					
Jul 97	1469	1445	1466	+14	30,217
Sep 97	1498	1475	1496	+15	13,891
Dec 97	1529	1507	1529	+17	18,407
Mar 98	1554	1545	1554	+16	20,974
May 98			1576	+16	8,531
Jul 98			1596	+16	323
Est. sales N.A. Tue's. sales 3,759					
Tue's open int 94,398 off 1431					
COFFEE C (NCSE) 37,500 lbs.- cents per lb.					
Jul 97	297.00	275.00	295.55	+21.25	15,085
Sep 97	258.00	238.00	256.70	+19.20	7,371
Dec 97	214.55	203.00	214.55	+12.60	5,138
Mar 98	195.55	186.50	195.55	+8.90	2,041
May 98	184.00	180.88	184.00	+6.00	415
Est. sales N.A. Tue's. sales 10,478					
Tue's open int 30,340 up 471					
SUGAR-WORLD 11 (NCSE) 112,000 lbs.- cents per lb.					
Jul 97	11.20	11.10	11.18	+0.02	75,248
Oct 97	10.95	10.88	10.95	+0.01	45,692
Mar 98	10.90	10.85	10.90	+0.01	25,692
May 98	10.82	10.77	10.80		6,572
Est. sales N.A. Tue's. sales 11,729					
Tue's open int 157,010 up 1986					

	High	Low	Latest	Chge	Opint
ORANGE JUICE (NCTN) 15,000 lbs.- cents per lb.					
Jul 97	80.20	78.25	78.25	—1.60	16,072
Sep 97	82.25	80.50	80.50	—1.70	7,270
Nov 97	85.00	83.30	83.50	—1.25	3,533
Jan 98	87.35	86.00	86.00	—1.25	1,589
Est. sales N.A. Tue's. sales 2,000					
Tue's open int 1 off 29710					

Metals

	High	Low	Latest	Chge	Opint
GOLD (NCMX) 100 troy oz.- dollars per troy oz.					
May 97			345.30	+0.80	1
Jun 97	345.80	343.10	345.30	+0.60	32,658
Jul 97			346.40	+0.50	
Aug 97	348.20	345.50	347.60	+0.58	45,052
Oct 97	350.70	348.40	350.30	+0.50	7,074
Dec 97	354.00	351.10	353.00	+0.40	24,917
Feb 98	355.70	354.80	355.70	+0.30	6,812
Apr 98			358.30	+0.30	3,833
Jun 98	361.50	359.80	361.10	+0.30	7,010
Est. sales N.A. Tue's. sales 52,498					
Tue's open int 158,811 up 2032					
HI GRADE COPPER (NCMX) 25,000 lbs.- cents per lb.					
May 97	119.40	117.50	119.00	+0.90	475
Jun 97	119.50	117.70	119.00	+0.60	3,505
Jul 97	120.00	117.80	119.45	+1.05	33,659
Aug 97	116.80	115.50	115.85		1,829
Sep 97	115.10	113.50	114.55	+0.55	6,678
Oct 97	112.25	111.75	113.25	+1.05	1,079
Nov 97	110.45	109.90	110.45		1,171
Dec 97	109.70	108.70	108.95	—0.05	5,974
Jan 98	107.80	107.05	107.05	—0.15	508
Est. sales N.A. Tue's. sales 4,906					
Tue's open int 59,649 off 845					
SILVER (NCMX) 5,000 troy oz.- cents per troy oz.					
May 97	473.00	467.00	470.60	—1.60	30
Jun 97			470.60	—1.90	2
Jul 97	477.00	465.00	473.00	—1.80	58,482
Sep 97	482.00	470.00	477.90	—1.80	4,553
Dec 97	489.00	477.50	485.10	—1.80	7,418
Jan 98			487.40	—1.80	17
Mar 98	492.70	491.00	492.70	—1.80	7,970
May 98			499.50		2,711
Est. sales N.A. Tue's. sales 6,263					
Tue's open int 89,477 off 198					
PLATINUM (NMER) 50 troy oz.- dollars per troy oz.					
Jul 97	411.00	396.50	410.50	+13.50	13,895
Oct 97	401.50	392.50	401.50	+8.00	4,649
Jan 98	396.00	389.00	396.00	+2.50	1,199
Est. sales N.A. Tue's. sales 4,342					
Tue's open int 19,673 off 119					

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1625½	1626½	1627½	1628½
Forward	1639.00	1640.00	1640.00	1641.00
Copper Cathodes (High Grade)				
Spot	2602.00	2604.00	2589½	2591½
Forward	2528.00	2530.00	2513.00	2514.00
Lead				
Spot	636.00	637.00	628½	629½
Forward	644½	645.00	637.00	638.00
Nickel				
Spot	7185.00	7190.00	7240.00	7250.00
Forward	7295.00	7300.00	7350.00	7360.00
Tin				
Spot	5635.00	5640.00	5665.00	5675.00
Forward	5680.00	5690.00	5720.00	5730.00
Zinc (Special High Grade)				
Spot	1342.00	1343.00	1340.00	1341.00
Forward	1364.00	1365.00	1362.00	1363.00

Financial

	High	Low	Close	Chge	Opint
US T. BILLS (CMER) $1 million- pts of 100 pct					
Jun 97	94.84	94.81	94.83	+0.01	4,686
Sep 97	94.55	94.53	94.53		5,195
Dec 97			94.48		847
Est. sales N.A. Tue's. sales 972					
Tue's open int 9,881 up 110					
5 YR. TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct					
Jun 97	105-14	105-02	105-04	— 04	172,388
Sep 97	104-63	104-53	104-55	— 03	48,676
Dec 97			104-37	— 04	277
Est. sales 64,000 Tue's. sales 61,327					
Tue's open int 221,341 up 190569					
10 YR. TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct					
Jun 97	107-01	106-22	106-25	— 02	265,981
Sep 97	106-18	106-07	106-09	— 02	84,557
Dec 97	106-00	105-30	105-30	— 02	1,920
Est. sales 100,005 Tue's. sales 104,048					
Tue's open int 357,058 off 4889					
US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)					
Jun 97	109-07	108-18	108-23		380,127
Sep 97	108-26	108-06	108-11	+ 01	99,305
Dec 97	108-10	107-26	107-29		25,549
Mar 98			107-19		2,086
Est. sales 440,000 Tue's. sales 386,792					
Tue's open int 508,727 up 639					
LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct					
Jun 97	94.29	94.27	94.29		14,959
Jul 97	94.22	94.20	94.21		8,725
Aug 97	94.15	94.13	94.14		3,822
Est. sales N.A. Tue's. sales 2,151					
Tue's open int 29,969 up 398					
LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct					
Jun 97	112-20	111-27	112-10	— 0-02	150,246
Sep 97	112-30	112-05	112-20	— 0-02	56,436
Dec 97	N.T.	N.T.	112-08	— 0-02	
Est. sales: 181,429. Prev. sales: 130,239					
Prev. open int.: 206,682 up 11,340					

	High	Low	Latest	Chge	Opint
GERMAN GOV. BUND (LIFFE) DM250,000 - pts of 100 pct					
Jun 97	100.98	100.43	100.81	+ 0.05	228,171
Sep 97	99.93	99.40	99.78	+ 0.05	40,495
Dec 97	N.T.	N.T.	98.78	+ 0.05	
Est. sales: 256,071. Prev. sales: 185,548					
Prev. open int.: 268,166 up 1,254					
ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct					
Jun 97	130.32	128.75	129.13	— 0.69	88,288
Sep 97	130.82	129.30	129.67	— 0.65	24,185
Dec 97	N.T.	N.T.	103.03	— 0.69	
Est. sales: 96,336. Prev. sales: 63,184					
Prev. open int.: 112,473 up 3,512					
10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct					
Jun 97	128.66	128.06	128.16	— 0.28	157,180
Sep 97	127.06	126.54	126.60	— 0.28	18,323
Dec 97	96.34	96.34	96.02	— 0.28	0
Est. sales: 271,749. Open int.: 175,503 up 14.					
EURODOLLARS (CMER) $1 million-pts of 100 pct.					
Jun 97	94.18	94.16	94.17		433,174
Jul 97	94.08	94.06	94.07		13,544
Sep 97	93.94	93.91	93.92	—0.01	471,886
Dec 97	93.68	93.65	93.65	—0.02	363,874
Mar 98	93.55	93.51	93.52	—0.03	269,961
Jun 98	93.43	93.40	93.41	—0.02	233,340
Sep 98	93.34	93.30	93.31	—0.03	172,571
Dec 98	93.23	93.19	93.20	—0.02	124,553
Mar 99	93.22	93.18	93.19	—0.02	98,016
Jun 99	93.17	93.13	93.14	—0.02	80,192
Sep 99	93.12	93.08	93.09	—0.02	66,858
Dec 99	93.04	93.00	93.02	—0.01	61,803
Est. sales N.A. Tue's. sales 354,163					
Tue's open int 2,713,810 up 21362					
BRITISH POUND (CMER) 62,500 pounds, $ per pound					
Jun 97	1.6418	1.6302	1.6388		37,028
Sep 97	1.6390	1.6300	1.6358		4,639
Dec 97			1.6328		117
Est. sales N.A. Tue's. sales 6,835					
Tue's open int 41,784 off 1058					
CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr					
Jun 97	.7256	.7220	.7238		58,796
Sep 97	.7297	.7268	.7282		8,185
Dec 97	.7334	.7315	.7320		1,585
Est. sales N.A. Tue's. sales 12,642					
Tue's open int 69,553 up 1392					
GERMAN MARK (CMER) 125,000 marks, $ per mark					
Jun 97	.5926	.5865	.5900		75,495
Sep 97	.5963	.5910	.5938		4,999
Dec 97	.5967	.5967	.5979		522
Est. sales N.A. Tue's. sales 29,546					
Tue's open int 81,138 up 1188					
JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen					
Jun 97	.8697	.8570	.8662		78,451
Sep 97	.8811	.8698	.8777		5,400
Dec 97	.8879	.8879	.8893		854
Est. sales N.A. Tue's. sales 15,997					
Tue's open int 85,114 off 2794					
SWISS FRANC (CMER) 125,000 francs, $ per franc					
Jun 97	.7102	.7026	.7097		46,187
Sep 97	.7182	.7120	.7177		5,851
Dec 97	.7243	.7228	.7259		443
Est. sales N.A. Tue's. sales 19,265					
Tue's open int 52,533 up 1449					
MEXICAN PESO (CMER) 500,000 pesos, $ per peso					
Jun 97	.12575	.12535	.12555		17,172
Sep 97	.12120	.12070	.12085		10,760
Dec 97	.11645	.11630	.11642		7,847
Est. sales N.A. Tue's. sales 10,831					
Tue's open int 37,397 up 391					
3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct					
Jun 97	93.40	93.34	93.35	— 0.05	113,794
Sep 97	93.18	93.11	93.13	— 0.04	106,025
Dec 97	92.98	92.92	92.93	— 0.04	96,644
Mar 98	92.84	92.77	92.79	— 0.04	60,669
Jun 98	92.74	92.67	92.69	— 0.04	43,387
Sep 98	92.68	92.62	92.62	— 0.04	33,820
Dec 98	92.63	92.59	92.56	— 0.04	26,272
Mar 99	92.60	92.57	92.56	— 0.03	19,152
					12,223
Est. sales: 77,994. Prev. sales: 38,386					
Prev. open int.: 531,119 off 183					
3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct					
Jun 97	96.81	96.80	96.81	Unch.	223,480
Jul 97	96.78	96.78	96.78	— 0.01	1,512
Aug 97	N.T.	N.T.	96.77	Unch.	101
Sep 97	96.75	96.73	96.74	+ 0.01	214,916
Dec 97	96.60	96.57	96.59	+ 0.01	236,024
Mar 98	96.47	96.42	96.45	+ 0.01	210,583
Jun 98	96.28	96.23	96.26	+ 0.01	151,958
Sep 98	96.06	96.01	96.04	+ 0.01	124,023
Dec 98	95.80	95.75	95.78	+ 0.01	85,206
Mar 99	95.54	95.49	95.52	Unch.	82,245
					41,204
Est. sales: 103,526. Prev. sales: 86,566					
Prev. open int.: 1,461,870 up 3,897					
3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct					
Jun 97	96.32	96.21	96.23	— 0.07	62,028
Sep 97	96.34	96.25	96.26	— 0.05	61,791
Dec 97	96.35	96.28	96.29	— 0.03	34,897
Mar 98	96.30	96.24	96.24	— 0.03	30,521
Jun 98	96.21	96.14	96.14	— 0.04	23,490
Sep 98	96.08	96.00	96.00	— 0.05	21,818
Dec 98	95.88	95.81	95.81	— 0.04	15,774
Mar 99	95.64	95.56	95.57	— 0.03	13,741
Jun 99	95.40	95.32	95.34	— 0.02	7,109
Est. sales: 115,622. Open int.: 284,445 up 7,377.					
3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct					
Jun 97	93.31	93.12	93.13	— 0.14	102,844
Sep 97	93.62	93.39	93.40	— 0.18	92,454

	High	Low	Latest	Chge	Opint
Dec 97	93.77	93.55	93.57	— 0.16	54,571
Mar 98	93.83	93.62	93.64	— 0.15	37,429
Jun 98	93.84	93.63	93.64	— 0.16	25,975
Sep 98	93.82	93.63	93.63	— 0.15	8,918
Est. sales: 68,635. Prev. sales: 51,887					
Prev. open int.: 327,445 up 1,601					

Industrials

	High	Low	Latest	Chge	Opint
COTTON 2 (NCTN) 50,000 lbs.- cents per lb.					
Jul 97	73.25	72.75	73.71	+0.24	36,207
Oct 97	74.65	74.25	74.65	+0.20	4,144
Dec 97	75.40	74.90	75.25	+0.12	25,636
Mar 98	76.40	76.25	76.40		3,839
May 98	77.00	76.85	76.85	—0.30	984
Est. sales N.A. Tue's. sales 7,500					
Tue's open int 1 off 73039					
HEATING OIL (NMER) 42,000 gal, cents per gal					
Jun 97	55.85	55.20	55.39	-0.12	14,783
Jul 97	55.80	55.15	55.31	+0.09	38,289
Aug 97	56.20	55.65	55.76	+0.09	17,833
Sep 97	57.00	55.95	56.51	+0.19	9,617
Oct 97	57.80	57.20	57.26	+0.24	8,405
Nov 97	58.35	57.96	57.96	+0.29	7,765
Dec 97	59.00	58.60	58.61	+0.34	12,828
Jan 98	59.40	58.96	58.96	+0.34	7,936
Feb 98	59.10	58.61	58.61	+0.39	3,886
Est. sales N.A. Tue's. sales 41,639					
Tue's open int 131,654 off 1341					
LIGHT SWEET CRUDE (NMER) 1,000 bbl.- dollars per bbl.					
Jul 97	20.98	20.65	20.75	—0.04	105,218
Aug 97	21.04	20.75	20.85	+0.01	49,115
Sep 97	21.00	20.76	20.88	+0.06	29,546
Oct 97	20.85	20.70	20.77	+0.02	18,891
Nov 97	20.72	20.62	20.65	—0.02	16,932
Dec 97	20.71	20.51	20.56	—0.02	35,693
Est. sales N.A. Tue's. sales 112,301					
Tue's open int 401,428 off 7640					
NATURAL GAS (NMER) 10,000 mm btu's, $ per mm btu					
Jul 97	2.345	2.280	2.305		42,329
Aug 97	2.360	2.285	2.300		21,259
Sep 97	2.325	2.265	2.280		17,681
Oct 97	2.325	2.265	2.275		19,719
Nov 97	2.425	2.375	2.380		7,989
Dec 97	2.530	2.480	2.490		12,328
Est. sales N.A. Tue's. sales 31,394					
Tue's open int 211,448 off 953					
UNLEADED GASOLINE (NMER) 42,000 gal, cents per gal					
Jun 97	67.40	65.30	65.65	+0.27	20,878
Jul 97	63.50	62.65	62.90	—0.10	38,920
Aug 97	62.15	61.35	61.60	—0.10	10,533
Sep 97	60.75	60.30	60.55	+0.05	4,985
Oct 97	58.60	58.50	58.50		3,245
Nov 97	58.05	58.00	58.00	+0.35	1,925
Dec 97	57.45	57.25	57.25		3,949
Est. sales N.A. Tue's. sales 42,817					
Tue's open int 88,085 off 938					
GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons					
Jun 97	173.75	172.25	173.00	+1.00	23,085
Jul 97	174.50	173.25	173.25	+0.25	13,757
Aug 97	176.00	175.00	175.00	Unch.	7,620
Sept 97	177.50	177.00	177.00	+0.25	4,000
Oct 97	179.50	178.75	178.75	+0.25	4,840
Nov 97	181.00	180.25	180.00	+0.25	1,929
Dec 97	181.25	181.00	180.75	+0.25	7,607
Est. sales: 13,145. Open int.: 67,384 off 38					
BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels					
July 97	19.34	19.09	19.24	+0.02	7,22[illegible]
Aug 97	19.43	19.23	19.38	+0.10	39,330
Sep 97	19.51	19.37	19.47	+0.11	11,509
Oct 97	19.57	19.36	19.51	+0.09	8,405
Nov97	19.58	19.47	19.52	+0.10	6,125
Dec97	19.53	19.35	19.48	+0.09	12,487
Jan98	19.45	19.30	19.42	+0.10	8,397
Feb98	19.32	19.23	19.35	+0.11	4,397
Est. sales: 39,554 Open Int: 167,364 up 2,513					

Stock Indexes

	High	Low	Latest	Chge	Opint
S&P COMP. INDEX (CMER) 500 x index					
Jun 97	853.90	844.60	847.90	—3.45	173,984
Sep 97	862.10	853.40	856.70	—3.30	15,433
Dec 97	868.80	868.80	868.80	—3.30	3,353
Est. sales N.A. Tue's. sales 68,398					
Tue's open int 193,860 up 2397					
FTSE 100 (LIFFE) £25 per index point					
Jun 97	4718.0	4675.0	4688.0	+ 1.0	68,890
Sep 97	4750.0	4710.0	4721.5	+ 2.0	6,128
Dec 97	4760.0	4760.0	4770.0	+ 2.0	522
Est. sales: 12,071. Prev. sales: 7,690					
Prev. open int.: 74,876 off 166					
CAC 40 (MATIF) FF200 per index point					
May 97	2682.0	2558.0	2579.0	—99.00	22,639
Jun 97	2666.0	2533.5	2554.0	—99.50	30,631
Jul 97	2654.0	2548.0	2553.0	—99.00	2,725
Sep 97	2670.0	2548.0	2568.5	—99.00	14,033
Dec 97	N.T.	N.T.	2588.5	—99.00	451
Est. sales: 82,206. Open int.: 79,391 up 345					

Commodity Indexes

	Close	Previous
Moody's	1,599.70	1,606.00
Reuters	2,000.90	1,990.70
D.J. Futures	164.75	162.88
CRB	252.34	250.72

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

Gazprom: Trading By Decree?

Yeltsin May Limit Foreigners' Stakes

Bloomberg News

MOSCOW — President Boris Yeltsin is considering a decree to ban foreigners from buying RAO Gazprom's domestically traded shares, a spokesman for Russia's largest company said Wednesday.

The decree would hamper a gray market created by foreign investors to take advantage of the fact that Gazprom's Russian stock costs only one-third as much per share as its American depositary receipts. Investors have bid up the ADRs because there are not enough of them to meet foreign demand. The decree would limit foreign investors to buying ADRs and limit individual foreign stakes to 9 percent.

"This will protect the ADR holders, which is a goal Gazprom has voiced often enough," said Stephen O'Sullivan, head of research at MC Securities in London.

Andrei Pershin, a spokesman for the Energy Ministry, denied rumors that foreigners who bought local shares of Gazprom, circumventing company efforts to limit foreign sales to the more expensive shares traded abroad, would be forced to liquidate their positions.

Many foreigners circumvent foreign ownership restrictions on Gazprom by establishing Russian-registered subsidiaries, which have the right to buy Gazprom shares locally.

Separately, Gazprom said its 1996 net profit was 33.215 trillion rubles ($5.78 billion), compared with net profit of 32.555 trillion rubles in 1995.

'Flash Gordon' Brown Makes His Mark

By Youssef M. Ibrahim
New York Times Service

LONDON — Gordon Brown, the 46-year-old chancellor of the Exchequer, has been described as youthful, brilliant, and the "most eligible bachelor" of the new Labour government.

But his most popular description for the moment is the nickname "Flash Gordon," for the speed with which he has put his stamp on Britain's fiscal and economic agenda.

Just days after taking office May 2, Mr. Brown freed the Bank of England from government control over the power to set short-term interest rates.

Two weeks later, he irked the central bank by taking away its supervision of the banking industry. Now that job is in the hands of a friend — Howard Davies, the former head of the Confederation of British Industry — who will head a beefed-up Securities and Investments Board, an agency empowered to stamp out fraud and deliver what Mr. Brown said would be "the most effective supervision in the world."

Together, the two moves constitute the most sweeping change in British monetary policy and financial regulation in decades and put an end to a half-hearted, largely self-enforced regulatory regime that in the recent past failed to detect the corruption at Bank of Credit & Commerce International or the irregularities that led to the collapse of Barings PLC.

Mr. Brown also has followed up on the Labour Party's pledge to raise as much as several billion dollars by imposing a "windfall profits" tax on gains that companies reaped from recent privatizations of utilities.

The revenue would finance training programs and jobs for a quarter-million unemployed youths. That pleased the "Old Labour" constituency, which says the unemployed need more consideration, while not alienate most businesses — except, of course, some of the utilities involved.

The new chancellor is moving fast and ruffling feathers.

In other, more subtle ways, Mr. Brown also has moved to extend his reach. He has created task forces to review fundamental issues such as welfare and taxes, and he has extended his authority as well as that of the Treasury into areas that had been the province of other agencies.

"He wants to run everything, and he is in a hurry to do it," Paul Gregg, a research fellow at the London School of Economics, said. "The greater empire run by the Treasury is going to become much larger under Brown." His rapid action since taking office is largely attributed to Mr. Brown's forceful personality, his dynamic ambition and his tendency to ruffle other people's feathers.

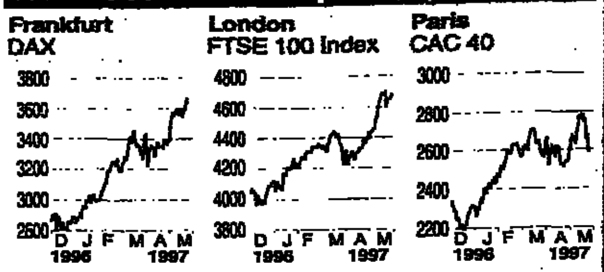
"He seems to have worked out his program and methods needed to a higher degree than I can remember of previous governments," James Callahan, a former prime minister and chancellor of the Exchequer, said.

The changes were sorely needed, as Britain's freewheeling financial industry has had its disasters. They include the Barings collapse in 1995 after a trader lost $1.2 billion, the near-collapse of the storied insurer Lloyd's of London, the theft of $640 million of private pension funds by the publisher Robert Maxwell and the 1991 failure of the corrupt Bank of Credit & Commerce International.

But the actions have not quite settled the question here about the true colors of "New Labour."

With suggestions for new taxes, including raising about $1.6 billion from fees on mobile-phone use, as well as a proposed minimum wage, there is a suspicion that New Labour is just like Old Labour, another tax-and-spend administration. But other measures, such as allowing the Bank of England to set interest rates, affirm Labour's pledge that it is both pro-business and pro-worker.

Investor's Europe



Exchange	Index	Wednesday Close	Prev. Close	% Change
Amsterdam	AEX	804.95	806.13	-0.15
Brussels	BEL-20	2,258.12	2,275.32	-0.76
Frankfurt	DAX	3,636.42	3,674.36	-1.03
Copenhagen	Stock Market	576.99	578.05	-0.18
Helsinki	HEX General	3,066.34	3,094.02	-0.89
Oslo	OBX	640.10	638.55	+0.24
London	FTSE 100	4,677.50	4,681.60	-0.09
Madrid	Stock Exchange	584.86	577.76	-2.23
Milan	MIBTEL	12242	12337	-0.77
Paris	CAC 40	2,583.17	2,680.34	-3.63
Stockholm	SX 16	3,043.15	3,060.59	-0.57
Vienna	ATX	1,304.59	1,310.70	-0.47
Zurich	SPI	3,250.39	3,281.28	-0.94

Source: Telekurs — International Herald Tribune

Very briefly:

- **Fortis NV**, a Dutch-Belgian financial-services company, reported a better-than-expected 30 percent rise in first-quarter net profit, to 204 million European currency units ($236 million), as the acquisition of the Dutch merchant bank MeesPierson NV raised earnings from banking.
- **Germany's** merchandise trade surplus grew by a larger-than-expected 6.5 percent in March, another sign that German growth is coming mainly from exports.
- **Rolls-Royce PLC's** aerospace group is experiencing a "significant" increase in its workload this year despite the failure of Fokker NV, which led to some reduction of engine deliveries, Sir Ralph Robins, chairman of Rolls-Royce, said.
- **Deutsche Telekom AG** must offer competitors access to its network without forcing them to buy switching and other services they do not want, the German Post and Telecommunications Ministry said. The ruling answered complaints from competitors such as VEBA AG and RWE AG.
- **Fresenius AG** of Germany, the world's largest maker of dialysis products, said it bought Caremark SA of France to try to strengthen its share of the French patient home care market. It did not disclose the price. *Bloomberg, AFX*

Daimler-Benz Seeks to Triple Asia's Share of Its Sales

Compiled by Our Staff From Dispatches

STUTTGART — Daimler-Benz AG, Germany's largest industrial company, said Wednesday it aimed to more than triple the proportion of its sales that came from Asia as part of a broader expansion into the world's emerging markets.

"About 8 percent of our sales come from Asia at the moment, and we have to increase that to 25 percent in the medium term," the company's chief executive, Juergen Schrempp, said at its annual meeting. The majority of Daimler's sales in Asia are of Mercedes-Benz cars, followed by satellites and planes produced by its aerospace unit. The company had sales of about 8.5 billion DM in Asia in 1996.

Daimler-Benz also said its group sales rose 15 percent in the first four months of 1997, to 36.3 billion Deutsche marks ($21.3 billion), lifted by exports to the United States and Europe. The surge in U.S. and European sales, the company said, was fueled chiefly by a drop in the value of the mark, which made the company's products less expensive abroad.

Mr. Schrempp also reiterated Daimler's support for the group led by Lagardere SA and Matra SA that is bidding for the French defense company Thomson-CSF, adding that the outcome of the French elections Sunday would be decisive for the future of privatizations in France. He also urged the government to back the Eurofighter combat aircraft, which is being developed by Daimler-Benz Aerospace, British Aerospace PLC, Alenia SpA and CASA of Spain. *(Bloomberg, AFX)*

WORLD STOCK MARKETS

Wednesday, May 28
Prices in local currencies.
Telekurs

Amsterdam
AEX index: 804.95 Previous: 806.13

	High	Low	Close	Prev.
ABN-AMRO	37	35.90	36.20	36.40
Aegon	145.60	142.30	142.80	142.80
Ahold	148.40	145.80	145.80	147
Akzo Nobel	267.10	264	266	265.20
Baan Co.	121.50	117.10	118.20	117
Bols Wess cva	37.50	37	37.20	37.40
CSM cva	102	101.10	101.50	101.40
Dordtsche Pet	392.50	386.50	390.50	386.40
DSM	197.40	193.60	194	196
Elsevier	33.10	32.60	32.60	32.60
Fortis Amev	84.50	81.50	82.30	81.50
Getronics	69.80	67.60	67.90	67.20
G-Broc cva	66	64.60	65	65.30
Hagemeyer	97.80	92.10	92.10	94.50
Heineken	329.60	326.50	327.30	328
Hoogovens cva	98	96.60	97.20	97.70
Hunt Douglas	172.20	169.50	169.70	171.80
ING Group	89.40	87.80	88.20	88.20
KLM	57.20	55.50	55.60	56.50
KNP BT	40.20	39.60	39.90	39.90
KPN	68.40	67.20	67.50	67.70
Nedlloyd Gp	48.60	47	47.50	47.70
Nutricia	301.50	296	298	299.20
Oce Grinten	250.80	248	250.50	247.80
Philips Elec	109.50	107.40	108	108.30
Polygram	94.50	92.60	93	93.20
Randstad Hdg	195.40	191	194.50	191.50
Robeco	174.50	173.90	174	172.50
Rodamco	61.10	60.80	61.10	60.20
Rolinco	177.20	177	177	175.40
Rorento	110.20	110.10	110.10	110
Royal Dutch	379	374.50	375.40	372.80
Unilever cva	385	378.80	379	380.60
Vendex Intl	111.90	109.30	109.90	109.20
VNU	43.90	43	43	43.10
Wolters Kl cva	239	234.60	235.50	234.50

Bangkok
SET index: 562.83 Previous: 569.84

	High	Low	Close	Prev.
Adv Info Svc	176	169	172	176
Bangkok Bk F	218	210	214	216
Krung Thai Bk	29.50	28	28.25	29
PTT Explor	320	312	314	320
Siam Cement F	550	522	528	540
Siam Com Bk F	132	129	130	132
Telecomasia	29.50	28.25	28.75	28.50
Thai Airways	37.75	36.75	37.75	37
Thai Farm Bk F	126	120	122	125
Utd Comm	115	113	115	114

Bombay
Sensex 30 index: 3685.31 Previous: 3692.55

	High	Low	Close	Prev.
Bajaj Auto	868.50	849	850.25	854.50
Hindust Lever	1062.50	1035	1060.75	1037
Hindust Petlm	426	420.25	426	421
Ind Dev Bk	97.25	92.25	92.50	95.25
ITC	434.75	426	427.25	428
Mahanagar Tel	285	278.25	283.50	277
Reliance Ind	287.50	281.50	283	284.50
State Bk India	304.75	299	300.75	301
Steel Authority	20	18.50	18.75	20.50
Tata Eng Loco	408.25	394.25	395.25	393

Brussels
BEL-20 index: 2258.12 Previous: 2275.32

	High	Low	Close	Prev.
Almanij	16150	16000	16125	16000
Barco Ind	6340	6300	6340	6330
BBL	9550	9400	9440	9340
CBR	3400	3330	3355	3355
Colruyt	14650	14350	14350	14550
Delhaize Lion	1735	1660	1720	1755
Electrabel	8000	7900	7900	8010
Electrafina	3570	3540	3570	3540
Fortis AG	7280	6940	6980	6920
Gevaert	3230	3185	3200	3228
GBL	5640	5590	5630	5520
Gen Banque	14375	14225	14250	14150
Kredietbank	14800	14450	14475	14500
Petrofina	12450	12325	12350	12800
Powerfin	5000	4940	4975	5110
Royale Belge	10100	9900	9990	9900
Soc Gen Belg	3320	3255	3255	3345
Solvay	21950	21600	21625	21675
Tractebel	15450	15400	15425	15400
UCB	97500	96000	95700	97000

Copenhagen
Stock index: 576.99 Previous: 578.05

	High	Low	Close	Prev.
BG Bank	310	303	305	307
Carlsberg B	395	389.72	389.72	393
Codan Fors	920.92	915	915	910
Danisco	404	364.41	399	401
Den Danske Bk	625	616	618	615
D/S Svendborg B	345800	345000	345000	348000
DS 1912 B	239000	235000	235000	240000
FLS Ind B	1080	1058.68	1058.68	1061.06
Kob Lufthavne	715	709	709	720
Novo Nordisk B	715	708	700	703
Sophus Ber B	890	882	888.11	881.12
Tele Danmk B	325	320	324	323.42
Tryg Baltica	365	360	361	363
Unidanmark A	347	340	344	343

Frankfurt
DAX: 3636.42 Previous: 3674.36

	High	Low	Close	Prev.
AMB B	1445	1410	1415	1450
Adidas	191.50	188.50	189.20	189.50
Allianz Hdg	384.50	371	372.50	375.80
Altana	1585	1562	1585	1578
Bk Berlin	39.50	39.25	39.40	39.45
BASF	65.30	64.20	64.40	65.45
Bayer Hypo Bk	56.80	55.35	55.50	58.55
Bay Vereinsbank	73	72	72.15	73.20
Bayer	69	67.80	67.80	68.35
Beiersdorf	95.50	92.50	94.50	92.10
Bewag	42.70	42	42	42.80
BMW	1498	1420	1422	1477
CKAG Colonia	171.50	167	167	170.50
Commerzbank	52.10	51.20	51.20	51.40
Daimler Benz	137.60	135.60	135.90	136.40
Degussa	86.10	85.40	85.50	84.15
Deutsche Bank	100.35	98	98.20	99.78
Deut Telekom	39.20	38.65	38.78	39.40
Dresdner Bank	62	61.40	61.50	62.20
Fresenius	352	350	350	350
Fresenius Med	151.70	150.50	151.50	150
Fried. Krupp	325	321	321	321.50
Gehe	125.80	124	124.60	124
Heidelbg Zmt	167.50	163	164	165.10
Henkel pfd	99.70	98.20	98.20	100
HEW	487	483	486	487
Hochtief	78	76	78	76
Hoechst	70.55	68.60	68.65	69.78
Karstadt	635	621	622	620
Lahmeyer	75	74.50	74.50	75
Linde	1238	1218	1218	1253
Lufthansa	28.20	27.55	27.55	28.35
MAN	511.50	501	502	511
Mannesmann	723.50	716	717	723
Metallgesellschaft	37.40	37	37.10	37.35
Metro	188	185.25	186	184
Munch Rueck R	4520	4450	4480	4445
Preussag	468	463	463	465.50
RWE	76.45	75.50	75.85	75.75
SAP pfd	317.50	310	311.70	316.40
Schering	176.20	172.30	172.30	174.60
SGL Carbon	256.50	249	254.50	249
Siemens	100.15	98.70	98.75	99.55
Springer (Axel)	1500	1500	1500	1490
Suedzucker	924	912	912	927
Thyssen	405	394	394	399.10
Veba	99.20	98	98	98.65
VEW	505	505	505	505
Viag	787	782	782	790.50
Volkswagen	1143	1126	1129.50	1153

Helsinki
HEX General index: 3066.34 Previous: 3094.02

	High	Low	Close	Prev.
Enso A	47	46.50	46.50	46.50
Huhtamaki I	230	226	227	228
Kemira	52.50	51	51.50	52.50
Kesko	73.60	73	73.50	73
Merita A	17.70	17.50	17.60	17.70
Metra B	146	144.50	145	144.50
Metso-Serie B	42	40.30	40.50	41.50
Neste	137	135	135	137
Nokia A	353.50	346	346	357.40
Orion-Yhtymae	204	202	204	204
Outokumpu A	102.50	101.90	102	102
UPM-Kymmene	121	118.50	119	120.20
Valmet	92.90	92	92.50	92.30

Hong Kong
Hang Seng: 14554.48 Previous: 14540.16

	High	Low	Close	Prev.
Amoy Props	8.95	8.85	8.85	8.90
Bk East Asia	28.35	28.20	28.35	28.25
Cathay Pacific	11.80	11.60	11.65	11.80
Cheung Kong	79.75	78.75	78.75	79
CK Infrastruct	25	24.65	24.80	24.75
China Light	39.10	38.50	38.60	38.60
Citic Pacific	45.20	44.50	44.90	45
Dao Heng Bk	41	39.90	40.20	40.80
First Pacific	11	10.10	10.20	10.55
Hang Lung Dev	14.95	14.85	14.85	14.90
Hang Seng Bk	92.75	91.75	92	92.50
Henderson Inv	8.95	8.85	8.85	8.95
Henderson Ld	75.50	73.75	74.25	75.25
HK China Gas	12.95	12.80	12.85	12.85
HK Electric	27.95	27.70	27.80	27.90
HK Telecomm	17.75	16.80	17	16.75
Hopewell Hdgs	4.35	4	4.23	4
HSBC Hdgs	230	227	229	226
Hutchison Wh	64.25	63.25	63.25	63.50
Hysan Dev	26.15	25.65	25.75	25.85
Johnson El Hdg	22.60	21.90	21.90	22.20
Kerry Props	20	19.35	20	19.40
New World Dev	49.80	48.70	49.10	49.60
Oriental Press	2.73	2.60	2.65	2.58
Pearl Oriental	2.83	2.70	2.83	2.75
SHK Props	96.50	94	94.75	95.50
Shun Tak Hdgs	5.20	5.10	5.20	5.15
Sino Land Co.	8.40	8.25	8.30	8.35
Sth China Post	7.15	7.10	7.10	7.05
Swire Pac A	64.50	63.50	63.75	64.25
Wharf Hdgs	34.90	34.40	34.50	34.40
Wheelock	19.65	19	19.10	19.50

Jakarta
Composite index: 672.50 Previous: 668.85

	High	Low	Close	Prev.
Astra Intl	6425	6125	6375	6075
Bk Intl Indon	1925	1850	1925	1900
Bk Negara	1575	1525	1575	1525
Gudang Garm	10000	9750	9975	10000
Indocement	3050	3025	3050	3050
Indofood	5100	5050	5075	5050
Indosat	7000	6875	7000	6875
Sampoerna HM	9400	9250	9325	9425
Semen Gresik	5625	5525	5525	5625
Telekomunikasi	3925	3875	3900	3875

Johannesburg
All Market: 7848.81 Previous: 7865.35

	High	Low	Close	Prev.
Amalgamtd Bks	28	27.75	28	27.75
AngloAm Coal	301.50	295	295	301.50
AngloAm Corp	263	258.50	260.50	263
AngloAm Gold	303.50	301	301	302.75
AngloAm Ind	188	186	187	189
AVMIN	16.15	16.05	16.15	16.15
Barlow	46	45.75	46	46.05
C.G. Smith	25.30	24.50	24.50	25.35
De Beers	158.25	156.25	156.75	158.75
Driefontein	39	38.05	38.50	38.90
Fst Natl Bk	33.75	33.60	33.75	33.65
Gencor	20	19.85	19.90	19.90
GFSA	115	114.25	114.25	114.25
Imperial Hdgs	57.75	55.75	55.75	57.75
Ingwe Coal	30.25	30	30	30
Iscor	3	2.98	2.99	3
Johnnies Indl	56.75	56.25	56.50	57
Liberty Hdgs	349.25	348.50	348.75	340
Liberty Life	127.50	125	127	127
LibLife Strat	16.75	16.75	16.75	16.85
Minorco	100.25	100	100.25	99.75
Nampak	17.55	17.25	17.35	17.45
Nedcor	88.25	87.50	87.75	88.25
Rembrandt Gp	47.05	45.50	46	47.20
Richemont	62.25	61.75	62	62.50
Rust Platinum	71.25	70	70.25	70.25
SA Breweries	126.75	125.50	125.75	126.75
Samancor	47.30	47.30	47.30	47.30
Sasol	55.75	54.75	55.25	55.75
SBIC	203.50	202	202	203.50
Tiger Oats	75.50	75	75.50	75.25

Kuala Lumpur
Composite: 1096.33 Previous: 1081.88

	High	Low	Close	Prev.
AMMB Hdgs	16.50	16	16.30	16
Genting	13.70	13.40	13.60	13.30
Mal Banking	26.25	25.25	26	25
Mal Intl Ship F	5.85	5.70	5.80	5.65
Petronas Gas	8.75	8.45	8.70	8.70
Proton	13	12.50	12.90	12.50
Public Bk	4.42	3.84	3.92	4.42
Renong	3.48	3.44	3.48	3.48
Resorts World	8.75	8.55	8.60	8.70
Rothmans PM	26	25.75	26	25.75
Sime Darby	8.20	8.05	8.15	8.20
Telekom Mal	18.40	17.40	18.10	17.40
Tenaga	11.70	11.30	11.60	11.30
Utd Engineers	20.70	19.40	20.10	19.50
YTL	9	8.90	8.95	9

London
FT-SE 100: 4677.50 Previous: 4681.60

	High	Low	Close	Prev.
Abbey Natl	9.57	9.23	9.41	9.42
Allied Domecq	4.52	4.43	4.45	4.49
Anglian Water	6.95	6.77	6.79	6.80
Argos	6.15	6.08	6.10	6.08
Asda Group	1.19	1.18	1.19	1.19
Assoc Br Foods	5.68	5.64	5.68	5.67
BAA	5.39	5.25	5.29	5.27
Barclays	12.85	12.53	12.55	12.75
Bass	8.66	7.98	8.01	8.03
BAT Ind	5.67	5.55	5.59	5.63
Bank Scotland	4.11	4.01	4.01	4.10
Blue Circle	4.30	4.22	4.29	4.22
BOC Group	10.16	9.97	10.16	9.93
Boots	7.30	7.23	7.23	7.27
BPB Ind	3.46	3.42	3.45	3.48
Brit Aerosp	12.41	12.23	12.37	12.41
Brit Airways	7.24	7.07	7.10	7.16
BG	2.03	2	2.01	2
Brit Land	5.95	5.87	5.93	5.95
Brit Petm	7.47	7.35	7.37	7.39
BSkyB	5.95	5.83	5.92	5.89
Brit Steel	1.53	1.50	1.53	1.53
Brit Telecom	4.79	4.47	4.48	4.53
BTR	2.11	2.05	2.05	2.13
Burmah Castrol	10.39	10.20	10.35	10.17
Burton Gp	1.37	1.34	1.36	1.35
Cable Wireless	5.08	4.87	4.96	4.87
Cadbury Schw	5.52	5.48	5.49	5.49
Carlton Comm	5.20	5.06	5.08	5.21
Comml Union	7.31	7.10	7.12	7.29
Compass Gp	6.82	6.73	6.73	6.77
Courtaulds	3.39	3.35	3.38	3.36
Dixons	4.78	4.71	4.75	4.71
Electrocomponents	4.05	4.01	4.04	4.03
EMI Group	12	11.70	11.76	11.71
Energy Group	5.68	5.58	5.58	5.67
Enterprise Oil	6.91	6.73	6.85	6.82
Fam Colonial	1.65	1.63	1.64	1.63
Genl Accident	9.47	9.27	9.40	9.51
GEC	3.59	3.38	3.56	3.54
GKN	10.20	10.03	10.15	10.07
Glaxo Wellcome	12.29	11.16	12.26	12.10
Granada Gp	9	8.78	8.84	9
Grand Met	5.92	5.71	5.85	5.94
GRE	2.95	2.84	2.93	2.90
Greenalls Gp	4.80	4.75	4.77	4.84
Guinness	5.92	5.71	5.79	5.97
GUS	6.57	6.50	6.54	6.53
Hays	5.58	5.52	5.55	5.67
HSBC Hldgs	18.22	17.87	18.10	18.14
ICI	8.14	7.97	8.14	8
Impl Tobacco	3.99	3.85	3.94	3.97
Kingfisher	7.33	7.20	7.25	7.20
Ladbroke	2.44	2.37	2.37	2.42
Land Sec	9.14	9.02	9.08	9.04
Lasmo	2.50	2.45	2.49	2.48
Legal Genl Grp	4.89	4.68	4.76	4.80
Lloyds TSB Gp	6.47	6.25	6.41	6.26
LucasVarity	2	1.97	1.99	1.99
Marks Spencer	5.21	5.07	5.09	5.15
MEPC	5.12	5.06	5.12	5.13
Mercury Asset	14.42	14	14.40	14.15
National Grid	2.28	2.24	2.26	2.26
Natl Power	5.40	5.33	5.40	5.35
NatWest	7.90	7.78	7.82	7.84
Next	7.34	7.22	7.32	7.29
Orange	2.09	2.07	2.08	2.09
P&O	6.37	6.30	6.37	6.35
Pearson	7.25	7.18	7.23	7.18
Pilkington	1.29	1.25	1.25	1.27
PowerGen	6.97	6.90	6.97	6.92
Premier Farnell	4.85	4.75	4.77	4.81
Prudential	6.45	6.38	6.38	6.50
Railtrack PP	N.T.	N.T.	N.T.	4.42
Rank Group	4.40	4.28	4.35	4.35
Reckitt Colm	8.70	8.40	8.65	8.65
Redland	3.27	3.18	3.22	3.23
Reed Intl	6.10	6.01	6.07	6.14
Rentokil Initial	2.33	2.28	2.33	2.29
Reuters Hdgs	6.94	6.85	6.91	6.83
Rexam	3.03	2.99	3	3.03
RMC Group	9.15	9	9.08	9
Rolls Royce	2.47	2.42	2.45	2.43
Royal Bk Scot	6.45	6.32	6.33	6.27
RTZ reg	10.77	10.66	10.73	10.72
Royal & Sun All	4.84	4.70	4.77	4.79
Safeway	3.63	3.51	3.55	3.56
Sainsbury	3.53	3.45	3.47	3.55
Schroders	17.45	17.25	17.27	17.45
Scot Newcastle	7	6.90	6.94	6.99
Scot Power	3.86	3.79	3.86	3.79
Securicor	2.93	2.90	2.91	2.92
Severn Trent	7.82	7.73	7.73	7.70
Shell Transp R	12.24	10.88	12.15	12.11
Siebe	9.52	9.45	9.52	9.48
Smith Nephew	1.79	1.75	1.75	1.75
SmithKline	10.77	10.40	10.67	10.66
Smiths Ind	7.97	7.61	7.66	7.64
Sthern Elec	4.17	4.10	4.10	4.17
Stagecoach	6.52	6.45	6.46	6.48
Stand Charter	10.15	9.94	10.02	10.10
Tate & Lyle	4.53	4.45	4.50	4.50
Tesco	3.74	3.68	3.71	3.72
Thames Water	6.83	6.71	6.80	6.75
3i Group	5.13	5.05	5.08	5.12
TI Group	5.57	5.50	5.57	5.54
Tomkins	2.72	2.65	2.67	2.72
Unilever	16.85	16.70	16.79	16.80
Utd Assurance	4.96	4.90	4.94	4.94
Utd News	7.80	7.73	7.78	7.80
Utd Utilities	7.15	7.03	7.10	7.02
Vendome Lx uts	5.12	5.06	5.06	5.12
Vodafone	2.71	2.67	2.70	2.68
Whitbread	8.04	7.93	7.96	8.05
Williams Hdgs	3.10	3.04	3.09	3.06
Wolseley	4.75	4.65	4.71	4.70
WPP Group	2.44	2.40	2.41	2.41
Zeneca	18.83	18.62	18.63	18.80

Madrid
Bolsa index: 584.86 Previous: 577.76

	High	Low	Close	Prev.
Acerinox	25890	24910	25180	24860
ACESA	1945	1850	1860	1920
Aguas Barcelon	6050	5850	5900	5990
Argentaria	7670	7150	7400	7590
BBV	10520	10110	10200	10450
Banesto	1655	1595	1595	1630
Bankinter	26490	25340	25340	25920
Bco Centro Hisp	5070	4930	4940	5030
Bco Popular	33430	32130	32180	33430
Bco Santander	13020	12610	12640	12980
CEPSA	5110	4960	4980	5030
Continente	2960	2805	2805	2960
Corp Mapfre	8150	7860	7940	8030
Endesa	11970	11610	11650	11750
FECSA	1355	1290	1290	1340
Gas Natural	30500	28990	29300	29800
Iberdrola	1925	1820	1860	1910
Pryca	2990	2845	2860	2955
Repsol	6380	6040	6070	6330
Sevillana Elec	1485	1405	1405	1470
Tabacalera	7850	7470	7470	7750
Telefonica	4590	4400	4430	4520
Union Fenosa	1340	1295	1310	1325
Valenc Cement	2135	2070	2110	2100

Manila
PSE index: 2722.67 Previous: 2718.91

	High	Low	Close	Prev.
Ayala B	18.75	18	18.25	18.50
Ayala Land	19.75	19.25	19.25	19.75
Bk Philip Isl	156	151	156	151
C&P Homes	9.80	9.20	9.60	9.20
Manila Elec A	92	90.50	91	90.50
Metro Bank	600	595	595	585
Petron	7.30	7.10	7.10	7.20
PCI Bank	265	260	260	272.50
Phil Long Dist	775	765	765	775
San Miguel B	81	78	80	75.50
SM Prime Hdg	7.30	7.20	7.30	7.30

Mexico
Bolsa index: 3911.68 Previous: 3960.72

	High	Low	Close	Prev.
Alfa A	46.25	45.85	46.00	46.25
Banacci B	17.60	16.96	16.96	17.54
Cemex CPO	28.90	28.60	28.60	28.80
Cifra C	12.48	12.24	12.30	12.50
Emp Moderna	39.70	39.60	39.60	39.70
Gpo Carso A1	45.85	45.40	45.80	46.35
Gpo F Bcomer	1.77	1.72	1.72	1.78
Gpo Fin Inbursa	28.00	27.90	28.00	28.00
Kimb Clark Mex	28.40	28.20	28.30	28.25
Televisa CPO	110.40	109.80	110.00	111.80
TelMex L	17.42	17.34	17.34	17.40

Milan
MIB Telematico: 12242.00 Previous: 12337.00

	High	Low	Close	Prev.
Alleanza Assic	11410	10970	10970	11355
Bco Comm Ital	3510	3350	3410	3475
Bco Fideuram	4585	4430	4430	4500
Bca di Roma	1264	1229	1229	1247
Benetton	23400	22900	23100	23200
Credito Italiano	2575	2515	2530	2555
Edison	8250	8030	8030	8160
ENI	8935	8675	8690	8835
Fiat	5665	5590	5605	5535
Generali Assic	29350	28800	28900	29050
IMI	15520	15100	15100	15175
INA	2405	2375	2400	2375
Italgas	5470	5250	5270	5400
Mediaset	7565	6800	7395	7460
Mediobanca	10115	9825	9825	9970
Montedison	1068	1038	1043	1051
Olivetti	512	499	500	505
Parmalat	2550	2400	2415	2545
Pirelli	3690	3605	3605	3600
RAS	13600	13280	13280	13395
Rolo Banca	18000	17000	17650	17750
S Paolo Torino	10750	10630	10645	10680
Stet	8745	8630	8655	8675
Telecom Italia	4755	4660	4680	4680
TIM	5180	5020	5025	5110

Montreal
Industrials index: 3227.93 Previous: 3266.43

	High	Low	Close	Prev.
Bce Mob Com	43½	43.40	43.40	43.10
Cdn Tire A	25.70	25	25¼	25.70
Cdn Util A	35.40	35.30	35.30	35¼
CT Finl Svc	35½	35½	35½	35.10
Gaz Metro	17½	17¼	17.45	17.45
Gt-West Lifeco	27.30	27½	27.30	27½
Imasco	39¼	39	39	39½
Investors Grp	28¾	28¼	28¾	28.10
Loblaw Cos	18.90	18.70	18.90	18.90
Natl Bk Canada	16.60	16.40	16.45	16.65
Power Corp	31.90	31½	31.70	31.90
Power Finl	30.40	29.60	29.60	30.15
Quebecor B	25½	25½	25.65	25.55
Rogers Comm B	7.20	7.20	7.20	7.15
Royal Bk Cda	61.10	60½	60.55	60.90

Oslo
OBX index: 640.10 Previous: 638.55

	High	Low	Close	Prev.
Aker A	132	129	129	131.50
Bergesen Dy A	166	162	165.50	161
Christiania Bk	24.70	24.50	24.70	24.30
Den norske Bk	28.20	28.10	28.20	28
Elkem	145	142.50	143	143
Hafslund A	44.20	44	44	44
Kvaerner Asa	428	413	417	425
Norsk Hydro	371	363.50	366	365
Norske Skog A	262	235	262	255
Nycomed A	99.50	97.50	98	98
Orkla Asa A	639	626	626	630
Petlm GeoSvc	310	300	305	308
Saga Petlm A	142.50	140	142.50	139.50
Schibsted	133.50	130	133	133
Transocean Off	N.T.	N.T.	N.T.	495
Storebrand Asa	47.50	47	47.30	47

Paris
CAC-40: 2583.17 Previous: 2680.34

	High	Low	Close	Prev.
Accor	855	801	804	853
AGF	186	175	175	186
Air Liquide	910	866	892	910
Alcatel Alsth	658	619	631	666
Axa-UAP	370.90	353.20	355	369.20
Bancaire	687	650	657	698
BIC	865	803	850	855
BNP	252.90	232.70	233	250.90
Canal Plus	1042	988	996	1036
Carrefour	3830	3654	3706	3819
Casino	271.50	245	263	270.50
CCF	253	245.10	247.90	253.80
Cetelem	635	607	627	630
Christian Dior	905	870	876	891
CLF-Dexia Fran	543	516	525	538
Credit Agricole	1262	1262	1262	1326
Danone	900	865	870	898
Elf-Aquitaine	603	566	570	598
Eridania BS	857	817	817	844
Euradisney	9.35	9.05	9.20	9.35
Eurotunnel	6.55	6.40	6.40	6.40
Gen. Eaux	770	721	735	770
Havas	420	398.10	402.90	416
Imetal	791	770	789	789
Lafarge	380	361.50	374.50	376.70
Legrand	959	908	918	951
L'Oreal	2095	1971	1981	2084
LVMH	1440	1378	1389	1412
Lyon. Eaux	580	549	567	583
Michelin B	337.70	316.10	325	340.10
Paribas A	389	365	368	388.50
Pernod Ricard	295	281.10	284	294.90
Peugeot Cit	619	587	593	613
Pinault-Print	2461	2315	2342	2467
Promodes	2036	1901	1983	2025
Renault	144.30	132	133.10	144.50
Rexel	1589	1531	1540	1575
Rh-Poulenc A	190.60	179.50	185.50	190.10
Sanofi	530	504	506	529
Schneider	298	278.70	283.50	297.40
SEB	991	979	990	986
SGS Thomson	494	475.10	480	479.80
Ste Generale	654	610	613	654
Sodexho	2739	2653	2656	2682
St Gobain	810	776	790	800
Suez	301	294	296	301.80
Synthelabo	693	676	685	693
Thomson CSF	177.70	166.10	167	175
Total B	548	515	529	540
Usinor	90.20	86.95	88.80	88.90
Valeo	349.10	328.10	339	352

São Paulo
Bovespa index: 11247.90 Previous: 11133.20

	High	Low	Close	Prev.
Bradesco Pfd	8.70	8.50	8.65	8.60
Brahma Pfd	778.00	775.00	775.00	778.00
Cemig Pfd	48.50	47.00	47.70	48.99
CESP Pfd	60.50	59.50	59.80	60.80
Copel	15.50	15.50	15.50	15.50
Eletrobras	499.00	488.00	499.00	489.00
Itaubanco Pfd	521.00	515.00	520.50	517.00
Light Servicios	540.00	538.00	539.50	540.00
Lightpar	353.00	350.00	352.50	353.00
Petrobras Pfd	246.50	244.00	246.50	244.00
Paulista Luz	159.00	156.03	157.50	157.00
Sid Nacional	35.90	34.90	35.01	35.70
Souza Cruz	9.85	9.60	9.85	9.63
Telebras Pfd	147.00	143.70	146.80	144.00
Telemig	160.98	155.00	160.10	155.50
Telerj	165.00	163.80	165.00	163.50
Telesp Pfd	367.00	355.00	367.00	356.00
Unibanco	36.48	36.48	36.48	37.02
Usiminas Pfd	1.18	1.16	1.17	1.16
CVRD Pfd	25.00	23.90	24.15	24.50

Seoul
Composite index: 738.12 Previous: 723.35

	High	Low	Close	Prev.
Dacom	98000	96500	97800	98000
Daewoo Heavy	7980	7250	7850	7390
Hyundai Eng.	19700	18800	19600	18700
Kia Motors	16000	15700	16000	15600
Korea El Pwr	26400	26000	26100	26000
Korea Exch Bk	5800	5570	5680	5520
Korea Mob Tel	371000	361000	368000	370000
LG Semicon	35100	32500	35100	32500
Pohang Iron St	58800	57000	58600	57200
Samsung Display	44800	43500	44500	44000
Samsung Elec	64500	62000	64500	61500
Shinhan Bank	10500	10300	10400	10300

Singapore
Straits Times: 2064.36 Previous: 2076.01

	High	Low	Close	Prev.
Asia Pac Brew	6.60	6.40	6.40	6.70
Cerebos Pac	8.70	8.50	8.50	8.70
City Devts	13.10	12.70	13.10	12.70
Cycle Carriage	14.40	14.30	14.40	14.40
Dairy Farm Int*	0.75	0.72	0.73	0.75
DBS foreign	19.10	18.60	18.80	18.60
DBS Land	4.98	4.84	4.86	4.84
Fraser & Neave	11.40	11.20	11.40	11.30
HK Land*	2.77	2.71	2.73	2.76
Jard Mathesn*	6.95	6.90	6.90	6.95
Jard Strategic*	3.80	3.72	3.78	3.72
Keppel	6.85	6.65	6.65	6.85
Keppel Bank	3.80	3.74	3.80	3.76
Keppel Fels	4.86	4.84	4.84	4.84
Keppel Land	4.20	4.12	4.20	4.10
OCBC foreign	18.40	18.20	18.40	18.20
OS Union Bk F	10	9.85	9.85	10.10
Parkway Hdgs	6.65	6.45	6.60	6.45
Sembawang	7.10	7	7	7.10
Sing Air foreign	13	12.70	12.70	12.90
Sing Land	7.30	7.20	7.25	7.15
Sing Press F	29.70	29.20	29.50	29.60
Sing Tech Ind	3.96	3.94	3.96	3.94
Sing Telecomm	2.54	2.49	2.52	2.50
Tai Lee Bank	3.32	3.32	3.32	3.34
Utd Industrial	1.14	1.13	1.14	1.13
Utd O'Sea Bk F	15.30	15	15.10	15
Wing Tai Hdgs	4.30	4.16	4.26	4.34

*: in U.S. dollars.

Stockholm
SX 16 index: 3043.15 Previous: 3060.59

	High	Low	Close	Prev.
AGA B	104.50	102.50	102.50	104
ABB A	110.50	108	109	109
AssiDoman	215	212	214	212
Astra A	133	129	129	130.50
Atlas Copco A	221	213	213	220
Autoliv	302.50	297	300.50	299.50
Electrolux B	476	465	467	476
Ericsson B	276.50	268	274	274.50
Hennes B	262	253	260	253
Incentive A	700	695	698	692
Investor B	393.50	388	391	387
MoDo B	251.50	245	247.50	250
Nordbanken	242	240	240.50	243
Pharm/Upjohn	264.50	260.50	263	263
Sandvik B	210.50	204	205	208.50
Scania B	223.50	218	218	221.50
SCA B	171	167	168.50	170
S-E Banken A	82	81	82	82
Skandia Fors	284	271	275	276
Skanska B	325	319	319	323
SKF B	188.50	183	184	185.50
Sparbanken A	150	147	150	148
Stadshypotek A	190	190	190	190
Stora A	119	115.50	115.50	118.50
Sv Handles A	211	206.50	207	210
Volvo B	219	214.50	216	214

Sydney
All Ordinaries: 2585.20 Previous: 2578.90

	High	Low	Close	Prev.
Amcor	8.54	8.45	8.47	8.54
ANZ Bking	8.77	8.51	8.75	8.57
BHP	18.45	18.21	18.39	18.39
Boral	4.05	3.94	4.04	3.97
Brambles Ind.	23.75	23.63	23.68	23.67
CBA	14.52	14.22	14.50	14.25
CC Amatil	15.50	15.35	15.50	15.40
Coles Myer	6.39	6.23	6.30	6.27
Comalco	7.27	7.21	7.26	7.26
CRA	21.82	21.58	21.80	21.80
CSR	4.75	4.67	4.70	4.69
Fosters Brew	2.57	2.51	2.51	2.57
Goodman Fld	1.68	1.66	1.67	1.66
ICI Australia	12	11.94	11.96	11.92
Lend Lease	25.50	25.25	25.40	25.20
MIM Hdgs	1.94	1.89	1.93	1.92
Nat Aust Bank	18.98	18.65	18.66	18.94
Nat Mutual Hdg	1.98	1.96	1.97	1.95
News Corp	5.70	5.64	5.67	5.70
Pacific Dunlop	3.67	3.61	3.65	3.65
Pioneer Intl	4.55	4.45	4.46	4.45
Pub Broadcast	7.03	6.85	6.93	6.90
St George Bank	8.09	8.01	8.01	8.07
WMC	8.48	8.32	8.47	8.41
Westpac Bking	7.25	7.18	7.20	7.22
Woodside Pet	11.30	11.12	11.18	11.34
Woolworths	4.16	4.07	4.09	4.16

Taipei
Stock Market index: 8058.46 Previous: 8123.26

	High	Low	Close	Prev.
Cathay Life Ins	150	148	148	149.50
Chang Hwa Bk	119	116.50	117	118.50
Chiao Tung Bk	69.50	67.50	67.50	69
China Develpmt	117.50	115.50	116	116.50
China Steel	30.10	29.50	29.60	30
First Bank	118	115	115.50	117
Formosa Plastic	71.50	70	71	71.50
Hua Nan Bk	116.50	114	115	116
Intl Comm Bk	69	66	66	68.50
Nan Ya Plastics	75	73	74.50	74.50
Shin Kong Life	90	88.50	88.50	90
Taiwan Semi	118	112.50	116	111
Tatung	56.50	55.50	55.50	56
Utd Micro Elec	74.50	71.50	73	72
Utd World Chin	68.50	67.50	67.50	68

Tokyo
Nikkei 225: 20351.34 Previous: 19889.89

	High	Low	Close	Prev.
Ajinomoto	1210	1170	1210	1170
All Nippon Air	771	760	771	766
Amway	4400	4350	4390	4310
Asahi Bank	865	794	865	795
Asahi Chem	690	680	689	675
Asahi Glass	1160	1150	1160	1160
Bk Tokyo Mitsu	2100	2070	2080	2090
Bk Yokohama	570	564	569	564
Bridgestone	2700	2640	2680	2640
Canon	2960	2900	2950	2880
Chubu Elec	2130	2100	2130	2110
Chugoku Elec	2070	2050	2070	2050
Dai Nipp Print	2420	2370	2420	2380
Daiei	797	787	795	791
Dai-Ichi Kang	1410	1380	1400	1380
Daiwa Bank	455	445	452	453
Daiwa House	1380	1370	1370	1380
Daiwa Sec	860	846	860	852
DDI	8700a	8620a	8700a	8650a
Denso	2940	2870	2900	2850
East Japan Ry	5690a	5570a	5680a	5560a
Eisai	2380	2240	2350	2350
Fanuc	4270	4160	4270	4180
Fuji Bank	1530	1500	1520	1520
Fuji Photo	4690	4590	4690	4540
Fujitsu	1410	1380	1400	1380
Hachijuni Bk	1110	1100	1100	1110
Hitachi	1260	1230	1260	1230
Honda Motor	3600	3490	3590	3540
IBJ	1400	1390	1400	1400
IHI	470	460	465	458
Itochu	630	622	625	618
Ito-Yokado	6770	6700	6710	6740
JAL	530	527	529	529
Japan Tobacco	8990a	8980a	8990a	8910a
Jusco	4150	4080	4110	4070
Kajima	675	651	669	646
Kansai Elec	2300	2250	2300	2260
Kao	1570	1550	1560	1550
Kawasaki Hvy	537	521	535	520
Kawa Steel	360	350	360	352
Kinki Nipp Ry	705	701	701	700
Kirin Brewery	1170	1150	1160	1160
Kobe Steel	228	224	227	225
Komatsu	896	886	896	887
Kubota	556	542	555	551
Kyocera	8090	7890	8060	7850
Kyushu Elec	2050	2030	2050	2020
LTCB	388	375	382	376
Marubeni	520	507	519	512
Marui	2240	2160	2240	2180
Matsu Comm	3640	3540	3620	3490
Matsu Elec Ind	2240	2190	2220	2180
Matsu Elec Wk	1300	1280	1300	1290
Mitsubishi	1420	1370	1390	1390
Mitsubishi Ch	368	357	368	359
Mitsubishi El	689	667	686	663
Mitsubishi Est	1600	1580	1600	1580
Mitsubishi Hvy	862	857	860	857
Mitsubishi Mot	912	907	910	907
Mitsubishi Tr	1650	1570	1650	1590
Mitsui	1020	1000	1020	1010
Mitsui Fudosn	1470	1440	1460	1440
Mitsui Trust	860	808	860	816
Murata Mfg	4450	4450	4450	4470
NEC	1650	1600	1640	1590
Nikon	1900	1840	1900	1830
Nikko Sec	711	705	705	706
Nintendo	8950	8900	8930	8850
Nipp Express	920	908	912	929
Nippon Oil	615	600	603	615
Nippon Steel	356	345	355	351
Nissan Motor	802	780	789	789
NKK	249	243	246	245
Nomura Sec	1490	1460	1490	1460
NTT	1100b	1060b	1080b	1050b
NTT Data	4300b	4100b	4300b	4150b
Oji Paper	707	680	703	680
Osaka Gas	311	308	311	309
Ricoh	1500	1480	1490	1460
Rohm	11500	11100	11500	11000
Sakura Bk	717	708	716	716
Sankyo	3680	3620	3680	3640
Sanwa Bank	1470	1440	1460	1450
Sanyo Elec	506	502	506	495
Secom	8270	8100	8260	8100
Seibu Rwy	6180	6100	6180	6100
Sekisui Chem	1220	1200	1220	1200
Sekisui House	1210	1200	1210	1210
Seven-Eleven	8560	8470	8560	8490
Sharp	1570	1530	1560	1540
Shikoku El Pwr	2000	1980	2000	1980
Shimizu	704	689	704	700
Shin-etsu Ch	2760	2700	2760	2700
Shiseido	1740	1710	1730	1720
Shizuoka Bk	1180	1150	1170	1180
Softbank	7950	7780	7950	7800
Sony	9900	9630	9900	9690
Sumitomo	1030	1010	1020	1000
Sumitomo Bk	1630	1600	1630	1620
Sumit Chem	498	486	498	492
Sumitomo Elec	1880	1840	1880	1840
Sumit Metal	320	313	320	308
Sumit Trust	1030	985	1030	1030
Taisho Pharm	3050	3000	3050	3000
Takeda Chem	3000	2940	3000	3000
TDK	8790	8530	8790	8630
Tohoku El Pwr	2040	2000	2040	2040
Tokai Bank	983	970	983	974
Tokio Marine	1430	1420	1430	1420
Tokyo El Pwr	2290	2270	2290	2280
Tokyo Electron	5230	5110	5220	5050
Tokyo Gas	315	310	315	309
Tokyu Corp.	692	687	690	696
Tonen	1420	1390	1420	1410
Toppan Print	1620	1590	1610	1610
Toray Ind	792	781	791	779
Toshiba	727	707	727	715
Tostem	3140	3100	3140	3100
Toyo Trust	809	784	785	808
Toyota Motor	3530	3440	3520	3510
Yamanouchi	2940	2870	2930	2860

a: x 100; b: x 1,000

Toronto
TSE Industrials: 6392.32 Previous: 6442.54

	High	Low	Close	Prev.
Abitibi Price	25.20	24.70	24.80	25.10
Alberta Energy	34	33.35	33.35	33.65
Alcan Alum	49.35	48.60	48¾	49.35
Anderson Expl	18.70	18.55	18.60	18.80
Bk Montreal	54.15	53.20	53.20	53.90
Bk Nova Scotia	59	58¼	58.55	58.95
Barrick Gold	35¼	34½	35.10	35.20
BCE	37¾	37.35	37.45	37.80
BC Telecomm	31¾	31.40	31½	31.60
Biochem Pharm	33	33	33	32.70
Bombardier B	28.40	27.85	27.95	28.35
Brascan A	35.30	34.85	35	35.30
Cameco	52	51.30	51½	51.70
CIBC	34.35	33.60	33.70	34¼
Cdn Natl Rail	58	57.20	57.55	57.35
Cdn Nat Res	37.30	36½	36.70	37.45
Cdn Occid Pet	31.70	31.15	31¼	31.70
Cdn Pacific	37.05	36.15	36.70	37.05
Cominco	39.70	39½	39.60	39.70
Dofasco	26.10	25	25.10	26
Domtar	11.30	11.20	11¼	11.30
Donohue A	30½	29.90	29.90	30.60
Du Pont Cda A	34	32½	33	35.35
Edper Group	24	23¾	23.80	24
EuroNev Mng	40.95	39.80	40.70	40¼
Fairfax Finl	345	339	345	340
Falconbridge	31.40	30½	31	31.40
Fletcher Chall A	23¾	23	23	23.55
Franco Nevada	73.70	71¼	73.70	71.70
Gulf Cda Res	12.70	12.40	12.40	12.70
Imperial Oil	66¾	66½	66.70	66.60
Inco	46.10	45.20	45.20	45.95
IPL Energy	43.65	43.45	43.55	43.40
Laidlaw B	18.95	18.45	18.70	18.90
Loewen Group	44½	43.70	44.10	43½
Macmill Bldl	20.40	19.90	20	20½
Magna Intl A	75¼	74.70	74.80	75.95
Methanex	12.45	12.30	12.35	12½
Moore	31.10	30.90	30.95	30.90
Newbridge Net	60	56.85	57.35	57½
Noranda Inc	32¼	31.60	31.70	32.30
Norcen Energy	35¼	34½	34½	35
Nthern Telecom	119½	116½	116½	119
Nova	11½	11.40	11¼	11.55
Onex	26.95	26½	26.70	26.70
Pancdn Petlm	30½	30.30	30.30	30½
Petro Cda	23.85	22.70	22¾	23½
Placer Dome	25.30	24.25	24.95	25.60
Poco Petlm	15.35	14.85	14.85	15.15
Potash Sask	115.15	113½	113.85	115¼
Renaissance	42½	41.40	42.45	41.95
Rio Algom	37.40	36¼	36.80	37½
Rogers Cantel B	25	24.15	24.80	25
Seagram Co	54½	53.85	54.05	54½
Shell Cda A	59	57.80	58.10	59
Stone Consold	25.20	24.85	24.85	25.30
Suncor	34.45	33¾	33.90	34.45
Talisman Eny	46	44.85	45	46.15
Teck B	31	29.40	29.40	30.60
Teleglobe	42.60	41¼	41¼	42½
Telus	24.40	24	24	24.40
Thomson	29.80	29½	29.70	29.65
TorDom Bank	42.45	41.65	42	42.30
Transalta	16¼	16	16.05	16.05
TransCda Pipe	26.90	26.60	26¾	26.80
Trimark Finl	53.90	52.80	53.05	53.90
Trizec Hahn	29.80	29.60	29.65	29.90
TVX Gold	8.85	8.60	8¾	8¾
Westcoast Eny	25.15	24.90	25	25.05
Weston	81	80	80	80

Vienna
ATX index: 1304.59 Previous: 1310.70

	High	Low	Close	Prev.
Boehler-Uddeh	920	890	911	910
Creditanst Pfd	507.50	495	499.50	505
EA-Generali	3045	3010	3045	3050
EVN	1736	1681	1697	1712.45
Flughafen Wien	537	520	522	524
OMV	1579.90	1550	1562	1571
Oest Elektriz	866	863	866	863.50
VA Stahl	561	555	555	558.50
VA Tech	2210	2181	2189	2186.20
Wienerberg Bau	2512	2461	2478	2511.40

Wellington
NZSE-40 index: 2322.87 Previous: 2321.52

	High	Low	Close	Prev.
Air NZeald B	4.33	4.30	4.30	4.33
Brierly Invt	1.34	1.33	1.34	1.34
Carter Holt ord	3.37	3.31	3.36	3.37
Fletch Ch Bldg	4.03	3.99	4.02	3.99
Fletch Ch Eny	4.63	4.52	4.60	4.58
Fletch Ch Forst	1.94	1.90	1.93	1.90
Fletch Ch Paper	3.24	3.20	3.23	3.19
Lion Nathan	3.75	3.65	3.71	3.64
Telecom NZ	7.07	6.95	7.00	6.99
Wilson Horton	N.T.	N.T.	N.T.	11.65

Zurich
SPI index: 3250.39 Previous: 3281.28

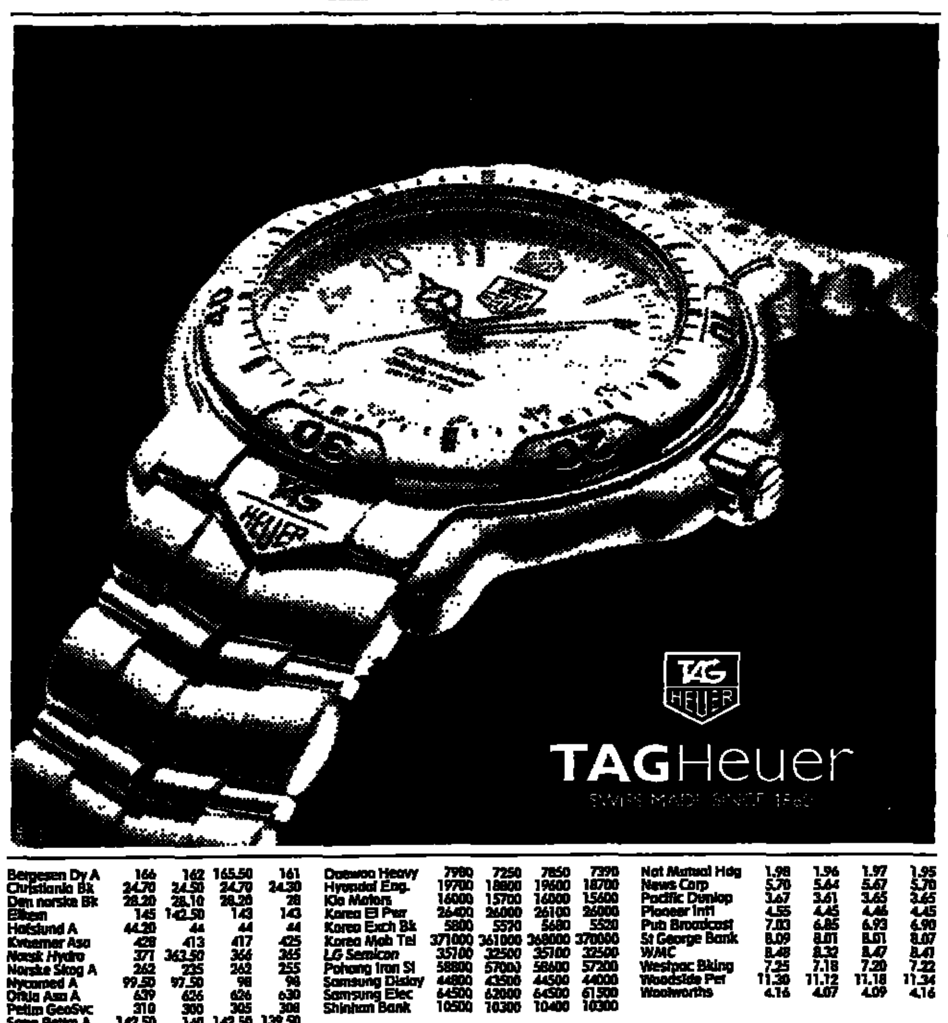
	High	Low	Close	Prev.
ABB B	2040	2007	2015	2025
Adecco B	532	522	530	523
Alusuisse R	1398	1357	1380	1362
Ares-Serono B	1990	1950	1965	1980
Atel R	888	880	880	880
Baer Hdg B	1980	1970	1980	1971
Baloise Hdg R	3270	3130	3200	3245
BK Vision	1080	1061	1080	1063
Ciba Spec Chem	148	143	144	141.50
Clariant R	935	908	920	904
Crd Suisse Gp R	189.75	183	184	185
Elektrowatt B	539	538	539	539
Ems-Chemie	6500	6300	6320	6470
ESEC Hdg	4600	4450	4500	4450
Holderbank B	1253	1216	1227	1244
Liechtenst LB B	483	483	483	488
Nestle R	1812	1758	1786	1793
Novartis R	2008	1953	1956	1995
Oerlikon Buehr R	162.50	159.50	161.50	159.25
Pargesa Hld B	1804	1795	1804	1798
PharmVisn B	831	795	795	829
Richemont A	1983	1960	1960	1972
Pirelli PC	238	233.50	233.75	234.50
Roche Hdg PC	13300	12750	12810	13195
SBC R	350.50	341	343	347
Schindler PC	1850	1834	1850	1835
SGS B	3290	3155	3170	3230
SMH B	892	857	869	857
Sulzer R	1180	1145	1168	1164
Swiss Reins R	1993	1921	1949	1978
Swissair R	1496	1458	1475	1490
UBS B	1568	1535	1545	1550
Winterthur R	1170	1142	1160	1158
Zurich Assur R	525	510	524	507

The Trib Index

Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100.	Level	Change	% change	year to date % change
World Index	187.18	-0.30	–0.18	+12.10
Regional Indexes				
Asia/Pacific	125.17	+1.32	+1.07	+1.41
Europe	175.01	-0.63	–0.36	+8.57
N. America	192.94	-2.00	–1.03	+19.16
S. America	156.50	+2.02	+1.31	+36.76
Industrial Indexes				
Capital goods	205.34	+0.37	+0.18	+20.14
Consumer goods	187.70	-1.71	–0.90	+16.27
Energy	195.93	-0.63	–0.32	+14.77
Finance	124.70	+0.37	+0.30	+7.08
Miscellaneous	168.66	-1.26	–0.74	+4.25
Raw Materials	185.03	-0.83	–0.45	+5.50
Service	158.41	+0.69	+0.44	+15.36
Utilities	143.94	+0.34	+0.24	+0.33

The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France. *Compiled by Bloomberg News.*



NYSE

Wednesday's 3 P.M.
The Associated Press.

Don't charter a luxury yacht!

Tel: +377 93 50 25 05 e-mail: info@monacoyachts.com

Camper & Nicholsons

Offices in Antibes, Cannes, Geneva, London, Mexico City, Monte Carlo, Palma, Palm Beach

• Yachting since 1782 •

Continued on Page 16

Sony Talks To Toyota On Venture

Companies Consider Jointly Making LCDs

Compiled by Our Staff From Dispatches

TOKYO — Sony Corp. and Toyota Motor Corp. are exploring ways to jointly produce liquid crystal display panels in an attempt to break into a market dominated by Sharp Corp., Toshiba Corp. and International Business Machines Corp., Sony said Wednesday.

The companies have not reached any agreement on the size of the investment, the location of the plant or when it would be built, said Hiroyasu Takagi, a spokesman for Toyoda Automatic Loom Works Ltd., the founder of the Toyota group. Sony confirmed that the two companies were discussing a joint venture.

Analysts said the move made sense for Toyota, which wants to use cash reserves to diversify. In return, Sony would get a solid financial backer in the expensive business of manufacturing the displays, they said.

"Sony's motivation is to reduce the risk by having a partner," said Yoshiharu Izumi, an electronics analyst at UBS Securities Ltd.

Liquid crystal display panels display sharp images for many uses including car navigation systems and hand-held video cameras. Toyota, the world's third-largest automaker, expects the navigation systems to become standard on most higher-priced cars, Ed Brogan, an auto analyst at Salomon Brothers Asia Ltd., said.

Toyota also foresees the systems developing into powerful computers linked to data sources outside the car, he said.

"Toyota's vision is that people are going to be using their cars to send and receive data and to do all types of things," Mr. Brogan said. Sharp is the top maker of the displays worldwide, with about one-third of the market, said Hitoshi Wakita, a spokesman for Sharp.

Sony and Toyota plan to spend between 50 billion and 60 billion yen ($428 million to $514 million) on the venture, the Nihon Keizai newspaper reported, without citing sources. It said each company would hold a 50 percent stake and that production would start in late 1998 or early 1999.

(Bloomberg News, AFX)

Toru Yamanaka/Agence France-Presse

Former Nomura Official Met Gangster

Setsuya Tabuchi, former chairman of Nomura Securities Co., listening to questions Wednesday from a parliamentary committee in Tokyo. During the hearing, Hideo Sakamaki, a former Nomura president, said he met with Ryuichi Koike, a *sokaiya*, or corporate racketeer, in 1992, casting doubt on his contention that top executives at Nomura did not know about payoffs to Mr. Koike.

Japanese Bonds Fall

Signs of Growth Arouse Rate-Rise Fears

Bloomberg News

TOKYO — Bond prices fell Wednesday, propelling yields to their highest close in more than six months, on growing signs that Japan's economic recovery might be strong enough to prompt the central bank to raise interest rates sooner than expected.

"Bonds had been rising on three assumptions: strong investor demand, a weak economy and problem debts weighing on banks," said Yoshihiro Kim of Yamaichi Securities Co. "The validity of those assumptions is starting to fade."

Mr. Kim said the central bank could raise interest rates as early as July. Economists say they expect industrial production to rise despite an increase in consumption taxes, and investors and analysts have grown optimistic that banks will overcome their problem loans as land prices stabilize.

The price of the benchmark No. 182 government bond, due Sept. 20, 2005, fell the equivalent of 123 yen for each 50,000 yen ($428.63) in face value. The bond's yield rose 3.5 basis points to 2.68 percent, its highest close since Nov. 12.

Still, traders' opinions are split as to whether a rise in 10-year bond yields to 2.8 percent can be justified, said Noboru Iwamatsu, chief bond market analyst at DKB Securities Co.

The answer may come Thursday, when the government releases industrial production data for April, he said. Average forecasts call for a rise of 1.1 percent, after a fall of 0.3 percent in March.

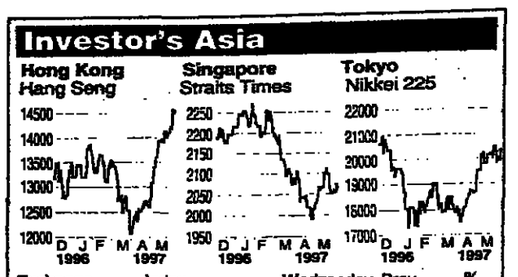
If the numbers are strong, the Bank of Japan may be tempted to raise rates from their current historic lows. The central bank has kept its official discount rate at 0.5 percent since September 1995. The Bank of Japan's governor, Yasuo Matsushita, said last week that the economy "remains in a stage of gradual recovery."

In another sign of recovery, Japanese vehicle exports rose for the 11th straight month in April as overseas demand soared with the yen's decline against the dollar.

Exports rose 18.5 percent in April from a year earlier, to 362,399 units, the Japan Automobile Manufacturers Association said.

Exports to the United States, which make up about one-third of Japan's total car exports, rose 11.7 percent, to 100,966 units. Exports to the European Union rose 24.4 percent, to 80,958, while exports to the rest of Asia rose 11.1 percent, to 56,512 units.

Investor's Asia



Exchange	Index	Wednesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	14,556.48	14,540.16	+0.11
Singapore	Straits Times	2,064.36	2,076.01	-0.56
Sydney	All Ordinaries	2,585.20	2,578.90	+0.24
Tokyo	Nikkei 225	20,351.34	19,889.89	+2.32
Kuala Lumpur	Composite	1,096.33	1,081.88	+1.34
Bangkok	SET	562.83	569.84	-1.23
Seoul	Composite Index	738.12	723.35	+2.04
Taipei	Stock Market Index	8,058.48	8,123.26	-0.80
Manila	PSE	2,722.67	2,710.91	+0.43
Jakarta	Composite Index	672.50	668.85	+0.55
Wellington	NZSE-40	2,332.87	2,321.52	+0.49
Bombay	Sensitive Index	3,685.31	3,692.55	-0.20

Source: Telekurs International Herald Tribune

Very briefly:

- **Nicholas-Applegate Capital Management LP** will buy Credit Lyonnais SA's Hong Kong-based money-management unit, Credit Lyonnais International Asset Management-Asia; the price was not disclosed.
- **Daihatsu Motor Co.**'s group profit and sales rose to record highs in the year ended in March, buoyed by strong sales of recreational vehicles. Group net profit rose 168 percent, to 19.73 billion yen ($169.1 million), as group sales rose 3.9 percent, to 909.56 billion yen.
- **Nippon Credit Bank**, one of Japan's three long-term credit banks, will close a Swiss subsidiary as part of a restructuring plan in which it will close or sell its six overseas units.
- **Shanghai Three Gun Group Co.**, China's largest knitwear manufacturer, will issue shares on the Shanghai exchange to try to raise funds to upgrade its products to export quality.
- **PT Astra International**, Indonesia's largest automaker, said first-quarter profit jumped 63 percent, to 119.82 billion rupiah ($49.1 million), as sales rose, its tax rate fell, and minority interests in subsidiary companies declined.
- **Japan's** biggest semiconductor maker, **NEC Corp.**, signed an agreement with a Chinese partner, **Shanghai Hua Hong**, to set up a $1 billion chip plant in Shanghai.

Bloomberg, Reuters, AFP

Bandai President to Quit

Poor Earnings Add to Toymaker's Woes

Compiled by Our Staff From Dispatches

TOKYO — Bandai Co. said Wednesday that its president, Makoto Yamashina, would step aside to take responsibility for the failure of a planned merger with Sega Enterprises Ltd.

"We have not made any formal decision," a Bandai executive said. "But we've confirmed that President Yamashina personally intends to resign to become chairman in order to take the responsibility for the cancellation of the merger."

Bandai, known for its Power Rangers series and the "virtual pet" toy Tamagotchi, may make a formal decision on the personnel change at a board meeting Thursday, the executive said.

"The resignation shows the company's management structure is weak," said Takeshi Yamaguchi, fund manager at Taiyo Investment Trust & Management Co., "and that's bound to turn off investors."

Bandai shares fell 3 percent Wednesday, to 2,670 yen ($22.88), largely because of the cancellation of the merger. Sega's stock, meanwhile, rose 2 percent, to 3,780.

After the market closed, Bandai disclosed more bad news in the form of poor earnings for the year that ended March 31.

The company reported a group loss of 7.98 billion yen, reversing a profit of 10.36 billion yen the previous year.

Despite the poor figures, Bandai said it would return to profit in the current business year. It forecast a group net profit of 2.5 billion yen, helped by the runaway success of Tamagotchi, a toy featuring an electronic pet bird.

Kimimasa Mayama/Reuters

Makoto Yamashina of Bandai.

Sega and Bandai have said they still plan to pursue business links covering such areas as the sharing of entertainment characters, retailing, consumer products, manufacturing and distribution.

(Reuters, NYT, Bloomberg)

Taipei Restricts Investments On Mainland

Reuters

TAIPEI — Taiwan on Wednesday announced new restrictions on investments in China, including a $50 million limit on individual projects, but Taipei vowed to drop the rules if Beijing renounced the right to retake the island by force.

"At a time when cross-strait relations are so tense, we do not wish to have overly large investments," Economics Minister Wang Chih-kang said.

Taiwan companies are also forbidden from July 1 from investing in Chinese infrastructure projects such as water works, railroads, harbors, airports, roads and power plants.

The ministry said exceptions could be granted for larger projects that promote "sound interaction" or benefit Taiwan's economy.

ANZ Chief Bites Back at Canberra

Bloomberg News

SYDNEY — Australia & New Zealand Banking Group Ltd.'s chief executive, Don Mercer, lashed out at the government Wednesday after Australia's treasurer criticized banks for passing along to borrowers only some of the Reserve Bank of Australia's recent half-point cut in its benchmark interest rate.

Saying he was "very disappointed" by the criticism, Mr. Mercer said ANZ had cut rates more than the central bank had this year.

KARAN: *Watching Hemlines and Bottom Lines*

Continued from Page 11

expenditure if it contributes to design. Bill Gates is a designer, and he goes out and buys libraries, and you don't question that."

Yet while Mr. Gates's shareholders have become rich along with him, Ms. Karan's public offering was structured so that her cut came off the top.

As part of the deal, Gabrielle Studio, a company owned by Ms. Karan and Mr. Weiss, collects a royalty of 1.75 percent of the first $250 million of net sales a year, rising to 3.5 percent of sales that exceed $1.5 billion.

Last quarter, Gabrielle Studio took in $4.6 million, which helped erode the publicly traded company's first-quarter profits to 28 percent of sales from 33 percent a year earlier. In 1996, Donna Karan International paid Ms. Karan a salary of $1.7 million; Mr. Weiss earned $1.2 million.

In an article Ms. Karan wrote for Vogue magazine, she complained about bankers not paying attention to her clothes. "These guys are really mostly interested in margins — what makes money," she said. "It's not about luxury and cashmere."

The discomfort was mutual. Edward Keely, manager of the Founders Growth fund, said that when Ms. Karan came to his office in Denver to pitch the company's stock, she had her two dogs tucked under her arms. "That is unheard of," said Mr. Keely, who did not invest in the company but has followed its performance. "They have pathetic management. They should never have come public."

Ms. Karan's directors have been notably inactive amid the company's woes. Of the board's six members, three — Ms. Karan, Mr. Ruzow and Mr. Weiss — are company executives; Mr. Benedetto is a paid consultant, and another, Andrea Jung, is married to Michael Gould, the chief executive of Bloomingdale's, a major Donna Karan customer. The sixth is Ann McLaughlin, the U.S. secretary of labor, who sits on a dozen other boards.

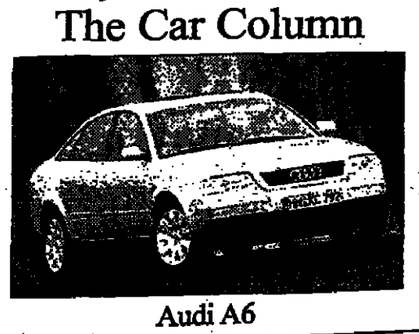
"This is definitely a board that big-time investors tend to go nuts over," said Michael Useem, a professor at the Wharton School of the University of Pennsylvania. "It is not in keeping with the current mores of what responsible boards should look like, which is strong, independent and in a position to protect shareholder value."

INCORPORATE IN THE SINCE 1899 U.S.A.
Protect Your Personal Assets
• Incorporate in any state, including Delaware, Nevada & Wyoming
• LLC's (Limited Liability Companies)
• In as little as 48 hours
Corporate Agents, Inc.
Fax: (302) 998-7078
CompuServe: GO INC
http://www.corporate.com
302-998-0598

CURRENCY & CAPITAL MARKET SERVICES
SOVEREIGN (FOREX) LTD.
SWISS BROKERHOUSE
118, Rue du Rhône,
1204 Genève
24 HOURS FOREX DESK
• Interbank Conditions
• No Commission
• Capital Return Guarantee
• Higher Return on Investment
• Daily Market Comment
• Individual Credit Line
• 20 Years Experience
• Confidentiality Guaranteed According to Swiss Law
Inquiries:
Phone: ++ 41 12 14 6322
Fax: ++ 41 41 728 0809

EUROMONEY
◇ How did the warring investment banks torpedo the Philippines' first yankee bond?
◇ What can risk managers learn from Nat West's £85 million options loss?
◇ Who's winning the power struggle at Dresdner Kleinwort Benson?
◇ Why are investment banks scooping the pool in foreign exchange?
The answers are in the May issue of Euromoney
To receive your FREE copy
+44 171 779 8536

In this Friday's
Leisure
The Car Column



Audi A6

+37%
INCREASE
Good News for Advertisers
The latest Media and Marketing survey (EMS) shows once again that **BBC World** continues to be the fastest growing pan-European television news and information channel in Continental Europe with an increase of 37% in monthly viewers*.
BBC World is the only channel amongst the competition to have achieved consistent growth in all four EMS waves.
BBC World now has 2.2 million monthly viewers and 1 million weekly viewers.
BBC World is now reaching 600,000 regular viewers in the key German market* - an increase of over 100%.
BBC World has increased its regular viewing over the last 12 months by over half a million*.
BBC World has the highest proportion of AB viewers of any of the pan-European news and information channels.
Trust BBC World to deliver the quality, in-depth programmes your audiences want to watch.
Intrinsic qualities from BBC World that keep you better informed.
BBC WORLD™
*Monthly reach information. All comparisons refer to EMS/2 95 Vs. EMS/2 96
For information on airtime sales and sponsorship opportunities call: Nick Carugati on: (+44) 171 580 5420
BBC World is distributed by European Channel Management Ltd, a joint venture of BBC Worldwide Ltd, Pearson Television Ltd and Cox Programming Ltd
BBC World is a trademark of the British Broadcasting Corporation Not available in the U.K.

Continued on Page 17

NASDAQ

Wednesday's 2 P.M.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

NYSE

Wednesday's 3 P.M.

(Continued)

Advertisement

INTERNATIONAL FUNDS

May 28, 1997

available on Internet: http://www.iht.com/IHT/FUN/funds.html

Quotations supplied by fund groups to Micropal Paris (tel: 33-1 40 28 09 09)

service sponsored by NOKIA

For information on how to list your fund, fax Katy Hourt at (33-1) 41 43 92 12 or E-mail : funds@iht.com

Quotations for your funds via E-mail : e-funds@iht.com

999 Other Funds

NOKIA 9000 Communicator

The data in the list above is the n.a.v. supplied by the fund groups to Micropal SA. It is collated and reformated into the list below being transmitted to the IHT. Micropal and the IHT do not warrant the quality or accuracy of the list, the data of the performance of data of the Fund Groups and will not be liable for the list, the data of Fund Group to any extent. The list is not and shall not be deemed to be an offer by the IHT or Micropal to sell securities or investments of any kind. Investments can fall as well as rise. Past performance does not guarantee future success. It is advisable to seek advice from a qualified independent advisor before investing.

AS - Australian Dollars; AB - Austrian Schillings; BF - Belgian Francs; C$ - Canadian Dollars; DM - Deutsche Marks; DKr -Danish Kroner; Dr - US Dollars; ECU - European Currency Unit; FF - French Francs; FM - Finish Mark; FL - Dutch eFlorins; IDR - Indonesian Rupiah; Lit - Italian lire; LF - Luxembourg Francs; p-pence; MYR - Malaysian Ringgit; Pts - Pesetas; S$ - Singapore Dollars; SF - Swiss Francs; Sek - Swedish Kroner; THB - Thai Baht; Y - Yen;

a - asked + - Offer Prices; N.A. - Not Available; N.C. - Not Communicated; o- New; S - suspended; SS - stock Split; * - Ex-Dividend; ** - Ex-Rts - @ Offer Price Incl. 5% prelim. charge; ^ - Perls exchange; ++ - Amendom exchange; e - estimated value; r-not registered with regulatory authority; P- Middle of bid and offered price. E- estimated price; y- price calculated 2 days prior to publication; z- bid price.

The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (f) - fortnightly; (m) - regularly; (t) - twice weekly; (w) - monthly.

WORLD ROUNDUP

4 Riders Are Banned From Giro

CYCLING Four riders were banned from the Giro d'Italia race Wednesday after failing surprise blood tests. Thierry Laurent of France, Vladimir Poulnikov of Ukraine and the Italians Marco Gili and Roberto Moretti had red-blood-cell counts that were too high, officials said.

The International Cycling Union said the riders could not compete for 15 days because they were not medically fit. The pre-race tests were introduced by the ICU earlier this year, and Wednesday's action brought to 10 the number of riders sidelined by the new procedure.

Excessive levels of red blood cells can be a sign of use of Erythropoietin, a banned substance that cannot be detected in standard urine tests. But the red-blood-cell level can also be raised naturally, such as through altitude training. The ICU says the controls are necessary for riders' safety because heavy use of Erythropoietin can thicken the blood and lead to the risk of thrombosis and heart attacks.

Gabriele Missaglia beat three other riders in a spirited sprint finish to win the 11th stage Wednesday. *(AP)*

Ronaldo May Be Leaving After All

SOCCER After two days of uncertainty about the future of the Brazilian striker Ronaldo, the FC Barcelona chairman, Jose Luis Nunez, said Wednesday that negotiations had broken off and that he expected the player to announce an agreement with another team. "Ronaldo is leaving us," Nunez told the state news agency EFE. Nunez said he felt the 20-year-old had already reached an agreement with the Italian side Inter Milan beforehand. *(AP)*

• UEFA will establish a fund to provide compensation to amateur and small professional clubs when they lose their best players to bigger clubs without a transfer fee being paid, its executive committee decided. *(Reuters)*

In the Mud, British Lions Rally to Win

RUGBY A try seven minutes from time by Rob Wainwright saved the British Lions from defeat by Border in a mudbath in East London, South Africa. In sodden conditions, the Lions trailed by 14-10 going into the final quarter Wednesday, and a repeat of Border's 1955 victory over the visitors appeared a distinct possibility before Wainwright's try. *(Reuters)*

• The Pacific nations of Fiji, Tonga and Western Samoa said Wednesday that they would apply as one team to take part in next year's Super 12 series. *(Reuters)*

Riddick Bowe's Next Line of Work

BOXING Riddick Bowe has gone job hunting again. Less than a month after he retired from professional boxing and three months after he quit the Marine Corps Reserve, the former heavyweight champion has applied for a $10.49-an-hour job as an assistant security staffer with the Prince George's County school system in Maryland. "Mr. Bowe told us he has nieces and nephews in the school program, and he wants to give back to the community," said a school spokesman. Bowe retired from boxing with a net worth of $30 million. *(WP)*

By maintaining a far-flung network of news-gathering resources, the World's Daily Newspaper brings you unrivalled coverage of world politics, business and economics, as well as science, technology, travel, fashion, the arts and sport — all from an international perspective.

Take advantage of this limited opportunity to try the International Herald Tribune with a low cost, 2-month trial subscription and enjoy delivery to your home or office every morning.

COUNTRY/CURRENCY		2 MONTHS NEWSSTAND PRICE	2 MONTHS OFFER PRICE	DISCOUNT OFF COVER PRICE
AUSTRIA	ATS	1,456	650	55%
BELGIUM	BEF	3,380	1,350	60%
DENMARK	DKK	780	360	54%
FINLAND	FIM	624	310	50%
FRANCE	FF	520	210	60%
GERMANY*	DEM	182	72	60%
GREAT BRITAIN	£	47	22	53%
GREECE	DR	18,200	9,100	50%
IRELAND	IR£	52	26	50%
ITALY	ITL	145,600	58,000	60%
LUXEMBOURG	LFR	3,3800	1,350	60%
NETHERLANDS	NLG	195	78	60%
NORWAY	NOK	832	390	53%
PORTUGAL	ESC	11,960	5,000	58%
SPAIN	PTAS	11,700	5,000	57%
SWEDEN	SEK	832	350	58%
SWITZERLAND	CHF	166	66	60%
ELSEWHERE	$	—	50	—

* For information concerning hand delivery in major German cities call toll free IHT Germany at: 0130-84 85 85 or fax (069) 9712 6311

Yes, I would like to start receiving the International Herald Tribune.
☐ My check is enclosed (payable to the IHT)
Charge my: ☐ Amex ☐ Diners ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard
Credit card charges will be made in French Francs at current rates.
Card No:________ Exp. Date:________
Signature:________
For business orders, indicate your VAT No:________ (IHT VAT Number FR74732021126)
Mr/Mrs/Ms Family Name:________
First Name:________ Job Title:________
Mailing Address:________
City/Code:________
Country:________
Home Tel No:________ Business Tel No:________
E-Mail Address:________
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other 29-05-97
☐ I do not wish to receive information from other carefully screened companies
Mail or fax to: International Herald Tribune
181 Ave. C. de Gaulle, 92521 Neuilly Cedex, France. Fax +33 1 41 43 92 10
OR CALL +33 1 41 43 93 61
In Asia: +852 29 22 11 88. In the US (toll-free): 1-800-882-2884
E-Mail No: subs@iht.com
Offer valid for new subscribers only. HA3M

Pete Sampras, hitting a forehand against Francisco Clavet at the French Open.

Jack Dabaghian/Reuters

Manchester's Darkest Loss

Survivors of '58 Plane Crash Recall a Special Team

By Peter Berlin
International Herald Tribune

MUNICH — They sat together over coffee on Wednesday morning at the Olympic Stadium: eight men in their late 50s and 60s, reminiscing and gently teasing one another the way old teammates do.

They are the eight remaining members of the team that never grew old. They had been brought together in Munich for Wednesday evening's European Cup final between Borussia Dortmund and Juventus.

The team represented by the eight men is forever associated with the European Cup even though it did not win the competition or even reach the final. The team is also forever linked to the city of Munich by the disastrous events of one winter night 39 years ago.

On Feb. 6, 1958, Manchester United, the English champion, was en route to Munich after eliminating Red Star in Belgrade in a European Cup quarterfinal. The team's plane crashed at the Munich airport.

It was a very special team that enjoyed a remarkable flowering of young talent. The club was nicknamed the Busby Babes after Matt Busby, the manager who had assembled it.

Seven players died in the crash. An eighth, the great Duncan Edwards, died 15 days later. In all, 23 people were killed in the crash. The men gathered in Munich on Wednesday were the eight players who survived.

They sat in a row on a stage and tried to describe how they felt. It was a strange and powerful mix of emotions. Sir Bobby Charlton, who went on to win the European Cup with United in 1968, spoke in a

THE EUROPEAN CUP

voice cracking with emotion. Albert Scanlon, one of the team's wingers, furtively flicked away a tear. Yet there was still the teasing and joking, the soccer player's defense mechanism, even on the darkest subjects.

"My memories are a blur," said Bill Foulkes, an England international right back. "We drove back from the airport through the fog breaking every speed limit."

Dennis Viollett, another of the club's international players, added: "With your hands round the driver's throat."

"Yes," said Foulkes.

"It was a Volkswagen coal wagon," said Harry Gregg, a goalkeeper and yet another international, for Northern Ireland. "Dennis, Bill, others and myself went through the snow in an old wagon with coal lying in the back. We were helped by the ordinary people."

Scanlon said: "I have not seen Munich airport for 30 years. I'd not seen it in daylight before. It was a very emotional thing. Just these last few days have done me a lot of good. I'm glad I came. It had to be done. I would not have done it by myself. I'm glad I did it with friends."

He flicked a finger across his eye and lit a cigarette.

The most famous of the survivors finally spoke. His words at first catching in his throat.

"There isn't a day that goes by I don't remember what happened and the people who are gone," said Charlton. "Manchester United at that time were going to be one of the greatest teams in Europe. The accident changed everything. The fact that the players are not here and are never going to be judged is sad. They'll never grow old."

Each survivor in turn — including Kenny Morgan, a Welsh winger, and Ray Wood, an English goalkeeper — remembered warmly what it was like to be young and talented and destined for glory with no greater worry than the ferocious competition for places in the team. Each talked of their emotions today looking back at the crash that ended that golden youth.

They are also survivors from a different era of professional sport. Only one player, they recall, even owned a car.

Each took care to thank UEFA, the governing body of European soccer, for inviting them. At the end, Viollett picked up the match program lying on the table in front of him and asked if he might take it as a souvenir.

And then the eight former players headed out into the glorious Munich sunshine.

Sampras Crushes Spaniard

World's No. 1 Continues Relentless Advance

By Ian Thomsen
International Herald Tribune

PARIS — No. 1 Pete Sampras continues to be awesome. His 6-1, 6-2, 6-2 victory over Francisco Clavet of Spain put Sampras into the third round of the French Open in just 87 minutes. Already he has dominated a pair of clay-court specialists who in other years might have teased and manipulated him. Five matches of increasing difficulty are separating him from his only Grand Slam title lacking, but he suddenly, almost dramatically, looks like the man to beat.

"I didn't know how sharp I was going to be," said Sampras, who hadn't won a match on clay before this tournament and wasn't able to practice last week because of a thigh injury. "I feel like if I'm hitting the ball like I am, serving well, I feel like I'm going to be pretty tough to beat."

Sampras wasn't the only fine performer Wednesday, but he and all the others were obscured by the apparently unimpressive Jeff Tarango, who is the Rupert Pupkin of tennis. Tarango, the American ranked 74th in the

FRENCH OPEN TENNIS

world, acted in his showcase match like someone who practices his game every night alone in his parents' basement. In "The King of Comedy," the character Rupert Pupkin (played by Robert DeNiro) kidnaps an American talk-show host and replaces him on stage to become instantly famous. That, basically, was what Tarango tried to do in his four-set loss against No. 5 Thomas Muster of Austria, the 1995 champion.

Tarango showed up in a white terry baseball cap more common to a day at the beach, a plain baggy white shirt and plain white shorts. Amazingly, there was no sign of corporate sponsorship on him anywhere. He had one of those nasal-enhancing bandages across his nose. In the first set of his 7-5, 1-6, 6-2, 6-1 loss, Tarango mocked the former champion — who is an enthusiastic weightlifter — by walking across the court with his fists squeezed together, his muscles all coiled and his cheeks ballooning with air. Muster is also a heavy grunter: In the first game of the second set, Tarango grunted so loudly in response that the umpire stopped the point in mid-rally and asked for quiet. Tarango argued that Muster was the loudmouth.

"At some point it's just like an echo in my head, he's grunting just too much," Tarango said of Muster. "He's grunting when I'm hitting the ball, he's grunting when he's hitting the ball, he's grunting when I'm tossing the ball to serve. I mean, he's grunting a lot."

From that moment throughout the 32-minute set, Tarango commanded Muster's stage. For seven games he did everything he ever would have imagined being able to do against a French Open champion. At a press conference afterward, when Muster admitted that he had been distracted in the second set and implied that his opponent's conduct was unprofessional, Tarango responded caustically, "Well, I think probably his ego was just a little bruised. He has such a big ego that if you take just a little bit of his limelight it bugs him."

The second half of the match degenerated quickly. When Muster turned his back, Tarango lifted his arms in a Mr. Universe pose. When Muster landed a smash to break ahead for good, Tarango didn't move for the ball — he just leaned forward from the baseline and shouted, "Good boy Tommy!" The next time Muster had a smash he almost hit Tarango, splitting the shot between his legs.

"I knew he was going to try to hit me with that overhead," Tarango said, nodding.

A tournament supervisor sat in a chair in the players' entrance to the court like a school principal outside a classroom. Tarango continued to clear his throat during groundstrokes; he pointed the handle of his racket out at Muster like a sword. But he ultimately sabotaged himself on a crucial game point early in the final set, when he inexplicably served underhanded to an opponent who was already looking for opportunities to commit violence which might be found acceptable by a jury of his peers. Muster stomped all over that shot and won the next two points for the service break.

After his first-round victory this week, Tarango did not shake hands with Marcelo Filippini. (It was not clear which of them refused.) Two years ago at Wimbledon, it might be vaguely recalled, Tarango was fined and suspended for quitting a match and accusing the French umpire, Bruno Rebeuh, of favoritism, an incident that ended with Tarango's French wife slapping the umpire's face. This match ended with Muster winning all but three games in the final two sets, and he must have been horrified to be booed off the Court Suzanne Lenglen by the crowd after he refused to shake Tarango's hand. Tarango, moments later, exited to cheers. He turned, waved and blew a kiss, just like Rupert Pupkin.

Somehow, the tournament will survive without him.

More routinely, the defending champion, No. 3 Yevgeni Kafelnikov of Russia, scored a 7-5, 6-3, 6-4 victory over one French Davis Cup hero — Guillaume Raoux — only to be scheduled in the third round against another. That will be Cedric Pioline, who beat Gaston Etlis of Argentina in four sets.

No. 9 Carlos Moya of Spain lost to his countryman, Albert Portas, 6-4, 4-6, 7-5, 6-3.

There were no startling upsets in women's play. No. 2 Steffi Graf beat Amelie Mauresmo of France, 6-3, 6-3. No. 4 Jana Novotna of the Czech Republic moved into the third round with a 6-4, 6-0 victory over Jana Kandarr of Germany.

Early in the day, Goran Ivanisevic, the No. 4 seed who had been knocked out in the first round by Magnus Gustafsson of Sweden, was back playing doubles 18 hours later. His partner was his fellow Croatian, Sasa Hirszon. They wore matching outfits of orange and blue trim. In the Olympics and other more nationalistic tournaments, Ivanisevic has taken great pride in playing doubles for his country, but this match he endured as if heartbroken.

On the court next door, No. 8 Alex Corretja of Spain was overcoming Jens Knippschild of Germany by 4-6, 6-1, 6-1, 7-6 (10-8). They were rooted on hungrily by many hundreds of the children who had been invited on their annual day to Roland Garros. The excitement of their fourth-set tiebreaker next door seemed to prod Ivanisevic through his own second set, which the Croatians won to even their doubles match. At last Corretja moved on to the third round, his stadium next door was drained of the energy that surrounds only the contenders, and as Ivanisevic sat on his bench in between games there was almost quiet. He and Hirszon lost their third set, 6-1, and the match.

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

EAST DIVISION	W	L	Pct.	GB
Baltimore	33	15	.688	—
Toronto	25	22	.532	7½
New York	26	24	.520	8
Detroit	23	26	.469	10½
Boston	20	27	.426	12½
CENTRAL DIVISION				
Cleveland	26	22	.542	—
Milwaukee	22	24	.478	3
Chicago	22	25	.468	3½
Kansas City	22	26	.458	4
Minnesota	21	29	.420	6
WEST DIVISION				
Texas	27	21	.563	—
Anaheim	25	23	.521	2
Seattle	26	24	.520	2
Oakland	21	31	.404	8

NATIONAL LEAGUE

EAST DIVISION	W	L	Pct.	GB
Atlanta	35	15	.700	—
Florida	30	19	.612	4½
Montreal	27	22	.551	7½
New York	27	23	.540	8
Philadelphia	19	31	.380	16
CENTRAL DIVISION				
Houston	25	26	.490	—
Pittsburgh	24	26	.480	½
St. Louis	21	28	.428	3
Chicago	19	30	.388	5
Cincinnati	18	32	.360	6½
WEST DIVISION				
San Francisco	29	20	.592	—
Colorado	27	23	.540	2½
Los Angeles	26	23	.531	3
San Diego	20	29	.408	9

TUESDAY'S LINE SCORES

AMERICAN LEAGUE

Anaheim 000 000 002—2 5 0
Detroit 001 211 10x—6 7 0
Perisho, Hasegawa (6), DeLucia (8) and Kreuter; J.Thompson, T.Jones (8), Brocail (9), M. Myers (9) and Casanova, B. Johnson (3). W—J. Thompson, 5-3. L—Perisho, 0-1. Sv—M. Myers (2). HRs—Anaheim, Leyritz (7). Detroit, Fryman (8).

Milwaukee 101 040 000—6 8 0
Boston 130 002 10x—7 10 2
J.Mercedes, Adamson (6), Wickman (7) and Matheny, Levis (8); Gordon, Lacy (5), Hammond (7), Corsi (7), Slocumb (9) and Hatteberg. W—Corsi, 1-1. L—Adamson, 1-1. Sv—Slocumb (5). HR—Boston, Jefferson (7).

Texas 200 510 340—15 16 0
Toronto 010 010 021—5 10 2
Burkett, Whiteside (8), X. Hernandez (9) and I. Rodriguez; Person, Spoljaric (4), Crabtree (7), Plesac (9) and O'Brien. W—Burkett, 4-3. L—Person, 0-2. HR—Toronto, Delgado (8).

Cleveland 000 010 010—2 6 0
Chicago 002 600 00x—8 10 1
A.Lopez, Graves (5), Alomar; Drabek, Simas (8), McElroy (9) and Fabregas. W—Drabek, 4-3. L—A. Lopez, 2-3. HRs—Cleveland, Thome (10). Chicago, Belle (10).

Baltimore 032 050 000—10 10 1
New York 011 020 020—6 9 2
Kamieniecki, B. Williams (6), T. Mathews (7), Orosco (8), A.Benitez (8) and Holles; K.Rogers, Mecir (5), Mendoza (6), Nelson (7), Stanton (8) and Girardi. W—Kamieniecki, 4-2. L—K. Rogers, 3-3. Sv—Benitez (6). HRs—Baltimore, Hammonds (4). New York, T. Martinez (18).

Oakland 000 000 003 5—8 7 0
Kansas City 000 200 001 3—6 10 1
(10 innings)
Oquist, Mohler (8), Taylor (9), A. Small (10), D. Johnson (10) and G.Williams. Rosado, Pichardo (9), J. Walker (10), J. Montgomery (10) and Macfarlane. W—Taylor, 2-3. L—Pichardo, 1-1. Sv—D. Johnson (1). HRs—Oakland, Spiezio (7), McGwire (17). Kansas City, Paquette (5), Cooper (2).

Seattle 105 101 200—10 12 1
Minnesota 002 020 016—11 14 0
Lowe, Holzemer (6), M. Maddux (6), Ayala (9), Charlton (9) and D.Wilson; Jarvis, Aldred (3), Swindell (6), Guardado (8), Aguilera (8) and Steinbach. W—Aguilera, 3-1. L-Charlton, 2-4. HRs—Seattle, Buhner (12), Griffey (23). Minnesota, Cordova 2 (3), Becker (3).

NATIONAL LEAGUE

Houston 000 301 000 0—4 12 0
San Francisco 100 210 000 1—5 7 2
(10 innings)
Hampton, R. Garcia (6), Martin (7), R. Springer (8), B. Wagner (9) and Ausmus; Gardner, Arocha (6), Roa (7), Beck (10) and Jensen. W—Beck, 3-2. L—B. Wagner, 2-2. HR—San Francisco, Kent (11).

St. Louis 210 300 200—8 13 2
Colorado 000 401 100—6 14 0
Al.Benes, T. J.Mathews (7), Fossas (8), Eckersley (9) and Difelice; Thomson, Leskanic (5), Dipoto (6), McCurry (8) and Je.Reed. W—Al.Benes, 4-4. L—Thomson, 0-4. Sv—Eckersley (9). HR—St. Louis, Lankford (9).

Philadelphia 010 100 000—2 6 0
Cincinnati 001 000 000—1 7 2
Schilling and Lieberthal; Tomko, Belinda (7), Remlinger (8) and Oliver, Fordyce (7). W—Schilling, 7-4. L—Tomko, 0-1. HRs—Philadelphia, Brogna (8).

Chicago 100 302 100—8 12 1
Pittsburgh 110 001 013—7 12 0
J.Gonzalez, Wendell (6), Patterson (9), T. Adams (9) and Servais; Lieber, Ruebel (6), Wainhouse (7), Sodowsky (7) and Kendall. W—J. Gonzalez, 1-0. L—Lieber, 2-6. Sv—T. Adams (6). HRs—Chicago, B.Brown (1). Pittsburgh, K. Young (3).

New York 002 020 000—4 7 0
Montreal 011 030 00x—5 12 1
M.Clark, Lidle (5), Kashiwada (6), Tricek (8) and Castillo, Bleser (8); C.Perez, M. Valdes (5), Telford (6), Doal (8), L. Smith (9) and Fletcher. W—M. Valdes, 2-2. L—M. Clark, 5-3. Sv—L. Smith (4). HRs—New York, Alfonzo (3). Montreal, Fletcher (8).

Atlanta 010 040 130—9 10 0
San Diego 100 100 000—2 12 0
G.Maddux, Embree (7), Clontz (7), Borowski (8), Wohlers (9) and J.Lopez; J.Hamilton, Bergman (7), Burrows (8), Bochtler (8), Hoffman (9) and Flaherty. W—G. Maddux, 6-1. L—J. Hamilton, 3-2. HRs—Atlanta, Lofton (3), McGriff (7).

Florida 400 220 000—8 17 0
Los Angeles 300 101 000—5 7 1
A.Leiter, Stanifer (6), Cook (6), Powell (7), Nen (9) and C.Johnson; Nomo, Candiotti (5), Osuna (7), Radinsky (8), Hall (9) and Piazza. W—A. Leiter, 4-3. L—Nomo, 5-4. Sv—Nen (13). HR—Los Angeles, Zeile (9).

AMERICAN LEAGUE LEADERS

	G	AB	R	H	Avg.
Justice Cle	46	156	35	61	.391
Cora Sea	47	174	38	66	.379
FThomas ChW	47	162	40	61	.377
Roberts KC	43	151	18	53	.351
WClark Tex	36	127	22	44	.346
Surhoff Bal	40	148	24	51	.345
GAnderson Ana	46	189	27	65	.344
IRodriguez Tex	45	191	30	65	.340
JuFranco Cle	44	159	27	54	.340
ByAnderson Bal	46	176	32	59	.335
EMartinez Sea	50	188	34	63	.335

RUNS—A. Rodriguez, Seattle, 44; Griffey Jr, Seattle, 43; B. eWilliams, New York, 42; Knoblauch, Minnesota, 40; F. Thomas, Chicago, 40; ToClark, Detroit, 39; Edmonds, Anaheim, 38; Cora, Seattle, 38.

RBI—Griffey Jr. Seattle, 61; T. Martinez, New York, 52; ToClark, Detroit, 49; Belle, Chicago, 44; F. Thomas, Chicago, 41; McGwire, Oakland, 41; E. Martinez, Seattle, 39.

HITS—A. Rodriguez, Seattle, 68; BeWilliams, New York, 67; Cora, Seattle, 66; G. Anderson, Anaheim, 65; I. Rodriguez, Texas, 65; Griffey Jr, Seattle, 64; E. Martinez, Seattle, 63.

DOUBLES—Sprague, Toronto, 19; O.'Neill, New York, 17; Spiezio, Oakland, 15; Cirillo, Milwaukee, 15; BeWilliams, New York, 15; Lawton, Minnesota, 14; A. Rodriguez, Seattle, 14; Merced, Toronto, 14; E. Martinez, Seattle, 14; Cora, Seattle, 14.

TRIPLES—Alicea, Anaheim, 4; Garciaparra, Boston, 3; Damon, Kansas City, 3; Jeter, New York, 3; Knoblauch, Minnesota, 3; Offerman, Kansas City, 3; Vizquel, Cleveland, 3; ByAnderson, Baltimore, 3; Surhoff, Baltimore, 3; DaMartinez, Chicago, 3.

HOME RUNS—Griffey Jr, Seattle, 23; T. Martinez, New York, 18; T. oClark, Detroit, 17; McGwire, Oakland, 17; Justice, Cleveland, 14; Mo. Williams, Cleveland, 13; Buhner, Seattle, 12.

STOLEN BASES—B. LHunter, Detroit, 25; Knoblauch, Minnesota, 25; Nixon, Toronto, 19; T. Goodwin, Kansas City, 18; Easley, Detroit, 12; Vizquel, Cleveland, 12; Durham, Chicago, 11; Burnitz, Milwaukee, 11; Buford, Texas, 11.

PITCHING (7 Decisions)—Clemens, Toronto, 9-0, 1.000, 1.81; Erickson, Baltimore, 8-1, .889, 2.94; Key, Baltimore, 8-1, .889, 2.38; Witt, Texas, 7-1, .875, 3.68; Dickson, Anaheim, 6-1, .857, 3.77; Mussina, Baltimore, 6-1, .857, 4.26; RaJohnson, Seattle, 6-1, .857, 3.36.

STRIKEOUTS—Cone, New York, 85; RaJohnson, Seattle, 81; Clemens, Toronto, 76; Appier, Kansas City, 74; Hentgen, Toronto, 61; Alvarez, Chicago, 61; Nagy, Cleveland, 57; Navarro, Chicago, 57.

SAVES—RaMyers, Baltimore, 16; M. Rivera, New York, 14; Wetteland, Texas, 11; DaJones, Milwaukee, 11; R. Hernandez, Chicago, 10; Charlton, Seattle, 10; Taylor, Oakland, 9; Aguilera, Minnesota, 9.

NATIONAL LEAGUE LEADERS

	G	AB	R	H	Avg.
LWalker Col	49	186	46	76	.409
Gwynn SD	49	194	30	78	.402
Blauser Atl	50	160	32	60	.375
Lofton Atl	50	216	41	75	.347
HRodriguez Mon	48	180	31	62	.344
Segui Mon	45	164	35	55	.335
Olerud NYM	49	179	36	60	.335
Galarraga Col	46	179	42	59	.330
Tucker Atl	46	173	29	57	.329
EcYoung Col	49	197	35	64	.325

RUNS—L. Walker, Colorado, 46; Galarraga, Colorado, 42; Lofton, Atlanta, 41; Biggio, Houston, 37; Burks, Colorado, 37; Bagwell, Houston, 36; Olerud, New York, 36.

RBI—Galarraga, Colorado, 49; Bagwell, Houston, 48; L. Walker, Colorado, 46; Kent, San Francisco, 44; Alou, Florida, 43; Sosa, Chicago, 41; Olerud, New York, 39; Bichette, Colorado, 39; Gwynn, San Diego, 39.

HITS—Gwynn, San Diego, 78; L. Walker, Colorado, 76; Lofton, Atlanta, 75; D. Sanders, Cincinnati, 67; EcYoung, Colorado, 64; Biggio, Houston, 63; R. White, Montreal, 62; H. Rodriguez, Montreal, 62.

DOUBLES—Grudzielanek, Montreal, 19; H. Rodriguez, Montreal, 19; Bonilla, Florida, 19; Clayton, St. Louis, 18; Brogna, Philadelphia, 17; L. Walker, Colorado, 17; EcYoung, Colorado, 15; Bagwell, Houston, 15.

TRIPLES—W. Guerrero, Los Angeles, 6; D. Sanders, Cincinnati, 6; Womack, Pittsburgh, 5; De. Shields, St. Louis, 5; Tucker, Atlanta, 4; McRae, Chicago, 4; 6 are tied with 3.

HOME RUNS—Bagwell, Houston, 16; L. Walker, Colorado, 14; Castilla, Colorado, 13; Sosa, Chicago, 13; Burks, Colorado, 12; Mondesi, Los Angeles, 11; Kent, San Francisco, 11; Hundley, New York, 11; Galarraga, Colorado, 11.

STOLEN BASES—D. Sanders, Cincinnati, 28; Womack, Pittsburgh, 17; Lofton, Atlanta, 16; Clayton, St. Louis, 15; De. Shields, St. Louis, 14; L. Castillo, Florida, 12; 6 are tied with 11.

PITCHING (7 Decisions)—P. JMartinez, Montreal, 8-0, 1.000, 1.17; Neagle, Atlanta, 7-1, .875, 3.36; Gardner, San Francisco, 6-1, .857, 3.23; G. Maddux, Atlanta, 6-1, .857, 1.57; B. JJones, New York, 8-2, .800, 2.61; Estes, San Francisco, 6-2, .750, 2.75; Kile, Houston, 5-2, .714, 1.88; K. JBrown, Florida, 5-2, .714, 2.07.

STRIKEOUTS—Schilling, Philadelphia, 93; Nomo, Los Angeles, 80; A. JBenes, St. Louis, 77; K. JBrown, Florida, 75; Reynolds, Houston, 70; P. JMartinez, Montreal, 68; Smoltz, Atlanta, 63.

SAVES—Beck, San Francisco, 15; ToWorrell, Los Angeles, 14; J. oFranco, New York, 14; Nen, Florida, 13; Bottalico, Philadelphia, 12; Wohlers, Atlanta, 11; B. Wagner, Houston, 9; Eckersley, St. Louis, 9.

Japanese Leagues

CENTRAL LEAGUE

	W	L	T	Pct	GB
Yakult	26	17	0	.605	—
Hiroshima	21	19	0	.525	3½
Chunichi	22	20	0	.524	3½
Yokohama	18	20	0	.474	5½
Hanshin	19	23	0	.452	6½
Yomiuri	17	24	0	.415	8

WEDNESDAY'S RESULTS

Yokohama 8, Yakult 6, 12 innings
Hiroshima 5, Yomiuri 1
Chunichi 6, Hanshin 4

PACIFIC LEAGUE

	W	L	T	Pct	GB
Seibu	26	16	0	.619	—
Orix	19	18	0	.514	4½
Daiei	21	22	0	.488	5½
Lotte	19	20	1	.488	5½
Nippon Ham	20	22	0	.476	6
Kintetsu	17	24	1	.417	8½

WEDNESDAY'S RESULTS

Orix 2, Seibu 0
Nippon Ham 13, Daiei 4
Lotte 7, Kintetsu 2

BASKETBALL

NBA Playoffs

WESTERN CONFERENCE FINALS
(BEST-OF-SEVEN)
TUESDAY'S RESULT

Houston 27 17 28 27—91
Utah 24 23 24 25—96

H: Olajuwon 11-18 11-13 33; Drexler 5-15 5-6 15. U: Malone 11-22 7-8 29; Stockton 6-7 4-4 17. Rebounds—Houston 41 (Olajuwon 10), Utah 41 (Malone 14). Assists—Houston 16 (Barkley 5), Utah 17 (Stockton 6).
(Utah leads series 3-2)

SOCCER

WORLD CUP QUALIFYING
South Korea 4, Hong Kong 0
INTERNATIONAL FRIENDLY
Scotland 0, Wales 1

GOLF

Johnnie Walker Ryder Cup

Standings for 1997 Ryder Cup to be played September 26-28 at Valderrama in Sotogrande, Spain:

UNITED STATES

1. Tiger Woods 1,015,000; 2. Tom Lehman 856,286; 3. Mark O'Meara 801,250; 4. Brad Faxon 727,500; 5. Phil Mickelson 659,286; 6. Scott Hoch 645,280; 7. Davis Love III 636,000; 8. Steve Jones 579,280; 9. Mark Brooks 549,750; 10. Tommy Tolles 549,285; 11. Paul Stankowski 503,334; 12. David Duval 470,000; 13. Tom Watson 415,000; 14. Jim Furyk 407,500; 15. Fred Couples 398,040.

EUROPEAN TEAM

1. Ian Woosnam, Wal. 446,766
2. Colin Montgomerie, Scotland, 399,708
3. Darren Clarke, N. Ireland, 337,951
4. Bernhard Langer, Germany, 337,890
5. Per-Ulrik Johansson, Sweden, 312,315
6. Miguel Angel Martin, Spain, 292,237
7. Costantino Rocca, Italy, 284,735
8. Thomas Bjorn, Denmark, 276,532
9. Lee Westwood, Eng. 254,333
10. Paul Broadhurst, England, 211,754
11. Jose Maria Olazabal, Spain, 199,027
12. Sam Torrance, Scotland, 189,344
13. Peter Mitchell, England, 178,585
14. Jean Van de Velde, France, 175,926
15. Padraig Harrington, Ireland, 166,550

CRICKET

INDEPENDENCE CUP, 2ND MATCH
SRI LANKA VS. PAKISTAN
TUESDAY, IN CALCUTTA
Sri Lanka Innings: 309 all out (49.4 overs)
Pakistan Innings: 224 all out (43.1 overs)
Result: Sri Lanka won by 85 runs
Sri Lanka win best-of-three finals 2-0

CYCLING

Giro d'Italia

Leading placings in the 155-km 11th stage of the Giro d'Italia cycle race starting and finishing in Cavalese on Wednesday: 1, Gabriele Missaglia, Italy, Mapei 3 hours 36 minutes 24 seconds. 2, Andrea Vatteroni, Italy, Scrigno s.t. 3, Mirko Celestino, Italy, Polti s.t. 4, Massimo Podenzana, Italy, Mercatone Uno s.t.; 5, Francisco Cabello, Spain, Kelme, 15 seconds behind. 6, Marco Fincato, Italy, Roslotto s.t. 7, Daniele di Pooli, Italy, Ros Mary, s.t. 8, Cristiano Frattini, Italy, Brescialat, s.t.; 9 Mario Cipollini, Italy, Saeco 1:00; 10, Alessandro Spezialetti, Italy, Batik, s.t.

OVERALL STANDINGS: 1, Pavel Tonkov, Russia, Mapei, 49 hours 34 minutes 40 seconds; 2, Luc Leblanc, France, Polti, 41 seconds behind; 3, Ivan Gotti, Italy, Saeco, 1:07; 4, Roberto Petito, Italy, Saeco, 1:09; 5, Andrea Peron, Italy, Cantina Tollo, 1:39; 6, Andrea Noe', Italy, Asics, 1:43; 7, Paolo Savoldelli, Italy, Roslotto, 2:40; 8, Leonardo Piepoli, Italy, Ceramiche Refin, 2:49; 9, Alexandre Shefer, Kazakhstan, Asics, 3:05; 10, Gilberto Simoni, Italy, Maglificio MG, 3:14.

TENNIS

French Open

MEN'S SINGLES
FIRST ROUND

Rafter, Australia, def. Gaudenzi, It. 3-6, 7-6 (7-3) 6-3, 6-4; Carretero, Sp. def. Alvarez, Sp. 5-7, 7-6 (7-3), 6-3, 7-5.

SECOND ROUND

Rosset (15), Switz., def. Stoltenberg, Australia, 6-2, 6-3, 6-4; Medvedev, Ukr., def. Viloca, Sp., 6-4, 6-3, 6-4.

Pioline, Fra., def. Etlis, Arg., 2-6, 6-3, 6-3, 7-6 (7-3); Corretja (8), Sp., def. Knippschild, Ger., 4-6, 6-1, 6-1, 7-6 (10-8).

Kafelnikov, Rus. def. Raoux, Fra. 7-5, 6-3, 6-4; Dewulf, Bel. def. Meligeni, Bra. 6-4, 6-2, 3-6, 1-6, 6-3.

Roux, Fra., def. Lareau, Can., 7-5, 6-2, 6-4; Siemerink, Neth., def. Navarra, Sp., 6-1, 6-7 (1-7), 6-1, 6-2.

Sampras (1), U.S., def. Clavet, Sp., 6-1, 6-2, 6-2; Escude, Fra., def. Stark, U.S., 6-4, 6-2, 6-2.

Champion, Fra., def. Delgado, Par., 6-2, 6-3, 6-3; Portas, Sp., def. Moya (9), Sp., 6-4, 4-6, 7-5, 6-3.

Muster (5), Aus., def. Tarango, U.S., 7-5, 1-6, 6-2, 6-1; Philippoussis, Aus., def. Delaitre, Fra., 6-4, 3-6, 6-1, 6-4.

Kuerten, Bra., def. Bjorkman, Swe., 6-4, 6-2, 4-6, 7-5.

WOMEN'S SINGLES
SECOND ROUND

Schnyder, Switz., def. Studenikova, Slov., 6-0, 2-0, retired; Novotna (4), Czech Rep., def. Kandarr, Ger., 6-4, 6-0.

Martinez (7), Sp., def. Rubin, U.S., 6-3, 6-0; Arendt, U.S., def. Golarsa, Ita., 6-2, 6-2.

Dragomir, Rom., def. Basuki, Indon., 7-5, 4-6, 8-6; Coetzer (11), S.Africa, def. Frazier, U.S., 7-6 (7-5), 6-4.

Dhenin, Fra., def. Talaja, Cro., 6-2, 7-5; Spirlea (13), Rom., def. Gorrochategui, Arg., 6-4, 4-6, 6-2.

Habsudova (15), Slov., def. Likhovtseva, Rus., 6-2, 6-2; Graf (2), Ger., def. Mauresmo, Fra., 6-3, 6-3.

Davenport (5), U.S., def. Makarova, Rus., 6-1, 6-1; Serna, Sp., def. Kijimuta, Jap., 3-6, 6-4, 6-2.

Majoli (9), Cro., def. Fusai, Fra., 6-2, 6-3; Grossman, U.S., def. Neiland, Latvia, 6-4, 6-4.

Babel, Ger., def. Sukova, Cze., 4-6, 6-4, 12-10.

TRANSITIONS

BASEBALL
AMERICAN LEAGUE

BALTIMORE—Signed RHP Ken Gieser to minor-league contract and assigned him to Rochester, IL.

BOSTON—Sent RHP Toby Borland to Pawtucket, IL.

CHICAGO—Activated OF Lyle Mouton from 15-day disabled list. Optioned INF Greg Norton and LHP Larry Thomas to Nashville, SL. Activated LHP Tony Castillo from 15-day disabled list.

KANSAS CITY—Claimed LHP Larry Casian off waivers from Chicago Cubs. Designated C Tim Spehr for assignment.

N.Y. YANKEES—Put RHP Brian Boehringer on 15-day disabled list. Recalled RHP Danny Rios from Columbus, IL.

OAKLAND—Recalled RHP Dane Johnson from Edmonton, PCL. Optioned RHP Willie Adams to Edmonton.

TORONTO—Activated RHP Robert Person from 15-day disabled list. Optioned RHP Chris Carpenter to Syracuse, IL.

SPORTS

Mariners Lose Slugfest, As Twins Rally in Ninth

The Associated Press

Record-setting hits by Ken Griffey Jr. and Joey Cora were not enough for the Seattle Mariners.

Griffey broke his own major-league mark for homers through May with his 23d, and Cora extended his hitting streak to a team-record 22 games on Tuesday night. But the visiting Mariners blew a five-run lead in the ninth and lost, 11-10, to the Minnesota Twins, who rallied behind two homers by Marty Cordova.

The collapse spoiled what should have been a night of celebration for Cora and Griffey, whose Mariners lost for the ninth time in 12 games.

Cordova, playing his first game in five weeks after recovering from a foot injury, tied the game with a three-run homer in the ninth. Norm Charlton later walked Chuck Knoblauch with the bases loaded to force in the winning run.

Griffey hit a 442-foot, two-run shot in the third, breaking the record of 22 homers through May that he set in 1994. He also leads the majors with 61 RBIs.

Cora, who went 4-for-6, opened with a single off Kevin Jarvis to break the Mariners' hitting streak record he shared with Dan Meyer (1979) and Richie Zisk (1982). He also tied the American League mark for longest hitting streak by a switch-hitter, set by Eddie Murray in 1984 and matched last season by Roberto Alomar.

Jim Mone/AP

Ken Griffey Jr. admiring his shot.

Baseball Roundup

Red Sox 7, Brewers 6 At Boston, pinch-hitter Mike Stanley's RBI single broke a seventh-inning tie as the Red Sox beat Milwaukee. Boston trailed, 6-4, in the sixth before Reggie Jefferson tied it with a two-run homer. Jim Corsi (1-1) earned the victory with 1⅓ hitless innings.

Tigers 6, Angels 2 At Detroit, Justin Thompson pitched seven shutout innings and Travis Fryman homered as the Tigers won for the fourth time in five games and ruined Matt Perisho's major-league debut.

Rangers 15, Blue Jays 5 John Burkett pitched seven strong innings and Domingo Cedeno had three hits and three RBIs as Texas won at Toronto.

White Sox 8, Indians 2 At Chicago, Albert Belle hit a grand slam against his former team and extended his hitting streak to a career-high 22 games.

Athletics 6, Royals 5 At Kansas City, Jose Canseco and Scott Spiezio each had two RBIs in the 10th inning as Oakland won a wild game. The A's scored five runs in the 10th, but still barely held on after the Royals got three in the bottom of the inning.

Orioles 10, Yankees 6 At New York, Pete Incaviglia drove in four runs and Jeffrey Hammonds hit a three-run homer as Baltimore routed the Yankees for its eighth triumph in 10 games.

In the National League:

Braves 9, Padres 2 Fleet-footed Kenny Lofton got the first inside-the-park homer of his career in a bizarre way.

With runners at second and third and one out in the fifth, Lofton hit a slicing one-hopper into the Padres' bullpen. The ball dropped onto a small ledge between the outfield fence and the bullpen seating area. Leftfielder Greg Vaughn, expecting a ground-rule double to be called, raised his hands toward the third-base umpire, Joe West. But the ground rules at Qualcomm Stadium say the bullpens are in play.

Lofton took advantage by racing around the bases to score.

Marlins 8, Dodgers 5 At Los Angeles, Jim Eisenreich hit a bases-loaded triple off Hideo Nomo (5-4) in the first inning as Florida won for the 11th time in 14 games.

Cubs 8, Pirates 7 At Pittsburgh, Brant Brown, who had only eight hits all season, hit a three-run homer. Brian McRae, pinch-hitting for Brown later in the game, had a two-run single.

Phillies 2, Reds 1 At Cincinnati, Curt Schilling (7-4) stopped Barry Larkin's streak of reaching base at 13 — one shy of the NL record — and pitched a complete game.

Expos 5, Mets 4 At Montreal, Darrin Fletcher homered and pinch-hitter F. P. Santangelo hit a tiebreaking sacrifice fly in the fifth inning to rally Montreal.

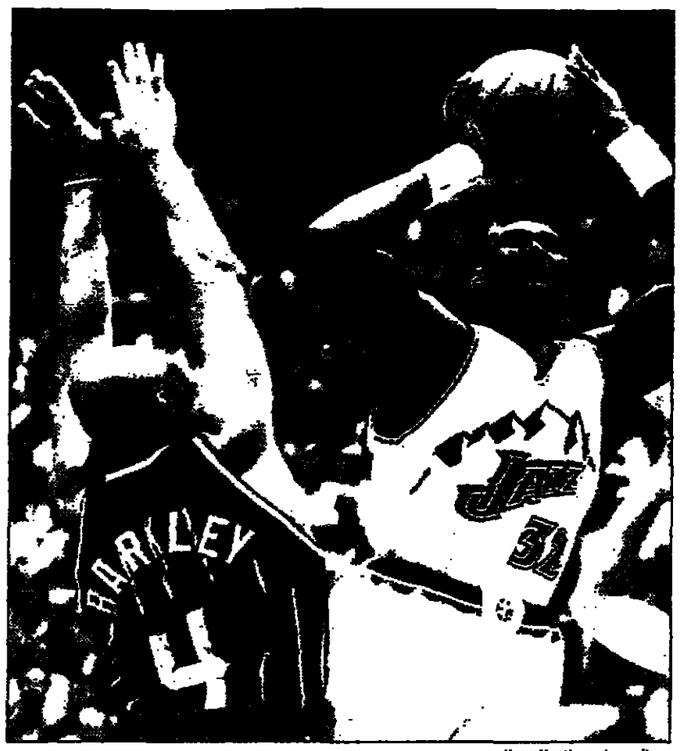
Giants 5, Astros 4 At San Francisco, Stan Javier's single off the glove of Ricky Gutierrez at shortstop drove in the winning run with one out in the 10th as the Giants won for in their final at-bat.

Cardinals 8, Rockies 6 Alan Benes (4-4) got past a bad fourth inning and helped himself with a career-high three hits.

■ Keeping It Inside the Park

It's strange enough to see one inside-the-park home run. But six in three days? That's how many were hit in the majors on Sunday, Monday and Tuesday.

It all started Sunday night when the A's lost a fly ball hit by in the Metrodome ceiling, allowing Pat Meares of Minnesota to circle the bases. On Monday, Doug Strange of Montreal, Sammy Sosa of the Chicago Cubs and Tony Womack of Pittsburgh hit inside-the-park homers. On Tuesday, Craig Paquette of Kansas City rounded the bases without clearing the wall. As did the Braves' Kenny Lofton.



Herve Mata/Agence France-Presse

Utah's Karl Malone shooting over Charles Barkley of the Rockets.

Malone Wakes Up

Jazz Burn the Rockets in Game 5

By Tom Friend
New York Times Service

SALT LAKE CITY — The Mailman never fails twice.

Battered by a local newspaper, not to mention Houston Rockets' forearms, Karl Malone bounced back Tuesday from his visit to mediocrity. Unable Sunday to convert four-footers, he had the 14-footer back in his repertory during the Utah Jazz's 96-91 victory in Game 5 of the Western Conference finals.

Malone led a third-quarter surge, and the Jazz held on to take a 3-2 lead in this four-of-seven-game series.

The lead was a tenuous 89-84 late in the game but Malone (29 points) had no more lethargy in his body. He made a turnaround jumper with 3 minutes 19 seconds remaining to extend the advantage to seven.

NBA Playoffs

Hakeem Olajuwon (33 points) converted two free throws but had become too vehement with the officials, and it cost him. He was whistled for a technical foul, and Jeff Hornecek not only made the free throw, but his emphatic drive to basket also returned the lead to 7 with 2:06 remaining.

Three of Houston's outside gunners — Eddie Johnson, Mario Elie and Clyde Drexler — were a combined 0 for 13 from three-point range. And so it was Olajuwon against the world.

Malone's playmaker missed a lot of it, too. John Stockton picked up his fourth foul on his pet move, the moving screen, with 8:50 left in the third quarter, and Malone had to fend for himself. He out-bullied two Rockets for a rebound and put-back and then hit a jump shot for a 67-61 Utah lead. Later, Stockton's replacement, Howard Eisley, bombed in a critical 3-pointer, and Stockton checked in for the final quarter.

Somebody had been trying too hard, and it was Malone, the league's recently named most valuable player. He was shooting 55 percent from the field until they tied a trophy around his neck last week, and then every layup became an adventure. The power forward was 10 of 28 from the floor in Sunday's Game 4 loss (including 11 misses in the paint), is shooting only 43 percent for the series and was greeted this morning with an insensitive local headline.

"Hey Karl, Isn't It About Time to Deliver?" screamed the Salt Lake City Tribune on Tuesday, and Malone did pay his 50 cents to see it for himself.

"Unforunately, in this business, you spend a lot of time giving guys what they want media-wise, and then guys take shots," Malone said of the article that accompanied the headline. "We are athletes, but we are human, and it does hurt. I wouldn't say I was in the best of moods, and still am not. But I have a job to do. They have counted on me all year, and they will continue to count on me now, and I understand that."

His teammates have noticed Malone pressing and there was more of the same Tuesday when he botched his first three attempts. The last time Malone had a bad shooting night, the day he was 2 of 20 against the Lakers, he took a bicycle ride on the beach to ease his mind.

This time, he tried a new remedy — locking his bedroom door. "I slept," he said. "Slept a lot. Sleeping's good, because you don't think about a lot of things."

He awoke midway through the first quarter — draining three consecutive shots despite a quadruple-teaming defense — and Utah led by 47-44 at halftime behind his 10 points.

As for the Rockets, their offense did not begin and end with Johnson this time. Johnson, the 38-year-old whose 31 points helped win Game 3 and whose 27-footer won Game 4 at the buzzer — managed only four first-half points on Tuesday night and missed a free throw after a Jazz technical, although the Rockets forgave him.

"I've gotten more attention the last two days than I've gotten my whole career," Johnson said before tip-off. "But, in this league, you're only as good as your last game. If Jordan retired today, he'd be remembered for a terrible game."

Olajuwon made the most of his 11 first-half attempts on Tuesday night. He converted seven, had 18 points at intermission and personally kept his team close.

Luyendyk Sees the Green Flag and Takes Checkered Flag

By Joseph Siano
New York Times Service

INDIANAPOLIS — If you are thinking of sending Scott Goodyear a sympathy card after his second dose of Indianapolis 500 heartbreak in three years, just stay away from anything with too much green or yellow. He seems to have a lot of trouble with those colors — when it comes to flags, anyway.

Goodyear, who was penalized out of an excellent chance to win the 1995 Indianapolis 500 when he passed the pace car with the yellow light still on, lost a good chance to beat his teammate, Arie Luyendyk, on the last lap of the 81st Indy 500 on Tuesday when the green flag suddenly waved and the yellow lights stayed on. It was a confusing ending for a race with a confusing beginning, and it allowed Luyendyk to win his second Indy 500.

It may have lacked some of the luster of the first victory in 1990, when Luyendyk beat a field undiluted by the current Indy-car civil war, but Luyendyk said he had to work harder for this one.

The only thing Goodyear can compare, however, are his missed opportunities. Goodyear's third and latest disappointment (he was the runner-up to Al Unser Jr. in 1992 by .043 seconds, the closest finish in Indy 500 history) came when race officials waved the green flag on the final lap of the race after Tony Stewart, who finished fifth, brushed the wall on the 197th lap.

Indianapolis 500

With Goodyear directly behind Luyendyk, who was first, the officials hurried to clean up the track so the race could be decided at full speed, rather than having the two contenders take the checkered flag behind the pace car at 80 mph.

Unfortunately for Goodyear, the decision came so quickly that he was unable to shift his car into the right gear and turn up his fuel control for the most horsepower. To further confuse matters, the official in charge of changing the track's warning lights from yellow to green was asleep at the switch and left the yellow light on for half of the last lap.

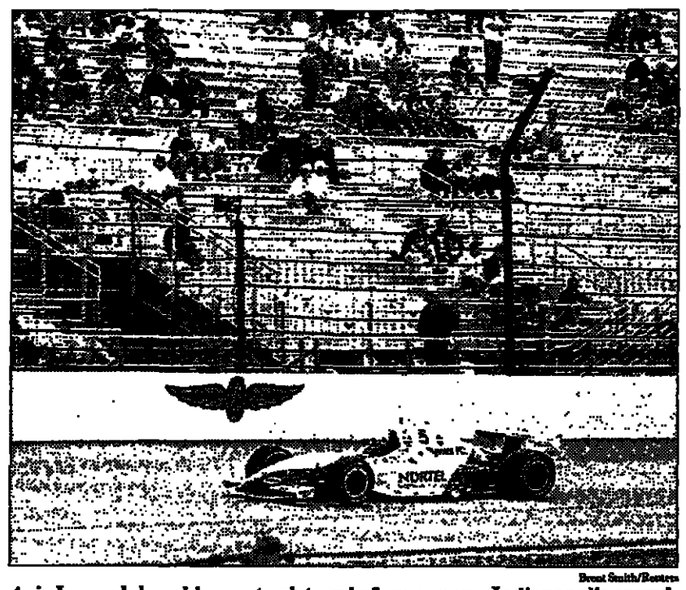
Goodyear wound up second to Luyendyk, a Dutchman who lives in Scottsdale, Arizona, by 0.570 seconds, in a race whose average speed over two days (15 laps were run Monday before rain stopped it) was 145.827 mph. As for whether he was consoled by second place, Goodyear said, "Absolutely not."

"I thought we were going to finish under the yellow," he said. "If I knew they were going to put out the green sooner, I would have been on the gas a lot sooner."

It spoiled an otherwise highly competitive finish, one that helped redeem an Indy 500 dimmed by two consecutive rain delays, which pushed the race off of the weekend and into a workday, and a crash-marred attempted start on Monday. In any case, the new cars that the Indy Racing League switched to this year acquitted themselves well, as did the front-running drivers, who staged a close, competitive event.

But if the Indianapolis Motor Speedway and the IRL want to prove that they can make their own new stars to replace the big names of the rival Championship Auto Racing Teams series, who have been boycotting this race for the last two runnings, they must wait to make that point. There's not a lot of star-making work to do: Luyendyk's is as big a name as Unser, Andretti or any other in CART, ever since his first Indy victory. "I worked a lot harder today than in 1990," Luyendyk said after the race, which he won in a G-Force Aurora. "I had to run faster all day long to stay where I was than in 1990."

His work was harder this time because besides his teammate, he had to spend most of the race battling Stewart along with the defending race champion, Buddy Lazier (fourth in a Dallara-Aurora), and Jeff Ward, a 35-year-old rookie from Scotland who is the kind of new star the IRL needs. These five combined to lead all but 17 of the 200 laps, and constantly battled among themselves.



Brent Smith/Reuters

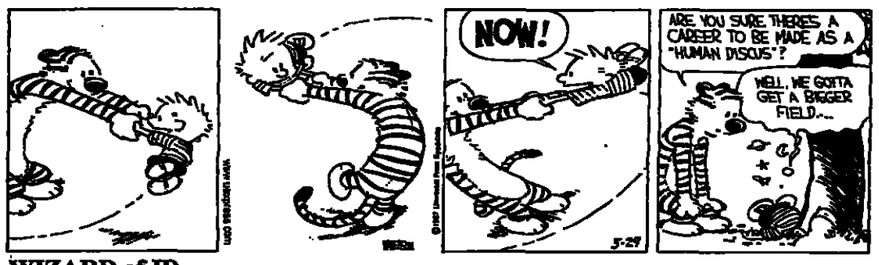
Arie Luyendyk on his way to victory before a sparse Indianapolis crowd.

DENNIS THE MENACE

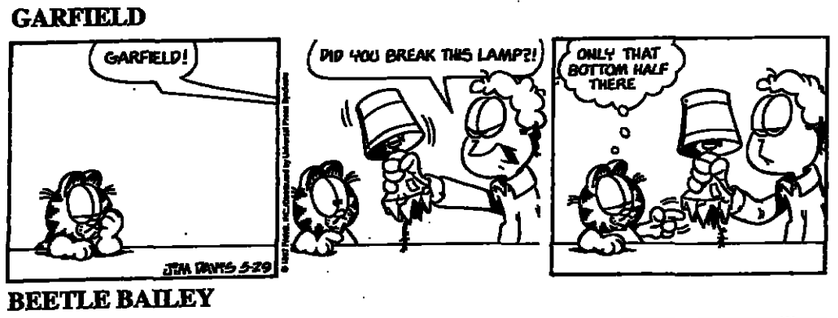
"He's kinda like Ruff... he sleeps a lot and growls some, but he's not really dangerous."

PEANUTS

CALVIN AND HOBBES

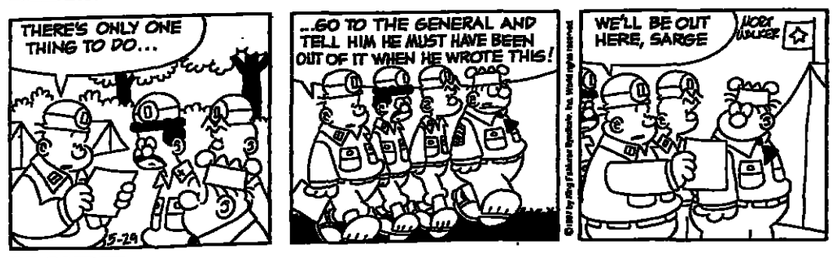


GARFIELD



WIZARD of ID

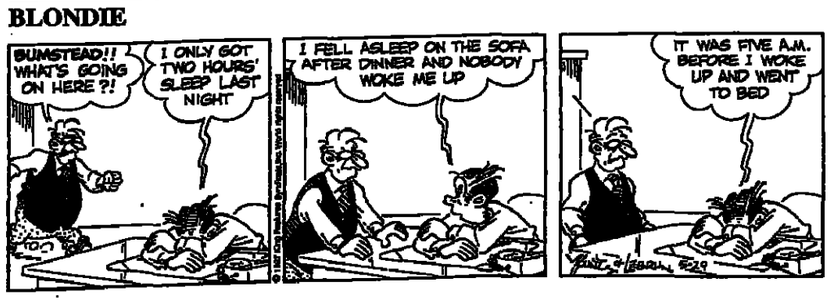
BEETLE BAILEY



NON SEQUITUR

DOONESBURY

BLONDIE



JUMBLE.

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

MYDUP

TOYBO

CEETIX

DEDUIG

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: A _____ "_____"

(Answers tomorrow)

Yesterday's Jumbles: LOUSY ASSAY SPRUCE TYCOON
Answer: What the parents thought of the students' play — A CLASS ACT

ENTERTAINMENT
Appears every Wednesday in The Intermarket.
To advertise contact
Sandy O'Hara
in our New York office
Tel.: (1-212) 752 3890
Fax: (1-212) 755 8785
or your nearest IHT office or representative.

ART BUCHWALD

Smoking Victims

WASHINGTON — When the story broke that secondary smoke causes heart attacks I didn't believe it. The report said that health risks were double for those victimized by other people smoking.

Buchwald

I had my doubts until I passed a large building on Madison Avenue where 15 people were standing in the entrance puffing away.

I heard one smoker say to another, "How many did you get today?"

The other replied, "Four certain, and two possibles. A smoker can't count a sure hit unless another smoker sees it."

A lady said, "I decked a man in an Armani suit yesterday who was carrying a Louis Vuitton briefcase. That should count for something."

"How did you do it?"

"I had my hand cupped around my Virginia Slim, and he was unaware I was going to blow a smoke ring up his nose. He clutched his chest as he hit the sidewalk."

The lady standing next to her said, "Zelda, you've committed the perfect crime."

"They still don't consider secondary smoke a crime of passion."

I was about to walk on when I saw a man with a pipe in his hand. He pointed it at me. As far as I was concerned he had a smoking gun aimed at me.

"Don't shoot," I cried, "I'm not anti-smoking."

He said, "Anyone who stands within two feet of a pipe smoker is dead meat."

"Puff away," I cried. "You have as much right as drivers of stolen cars."

The man next to him said, "Put your pipe down, Paul. If he says he likes secondary smoke he must be a fruitcake."

I said, "You're good people but how do you keep anti-cigarette zealots from spoiling your day?"

□

A man said, "It's all done with smoke and mirrors. You have to think of us as the Cosa Nostra (Our Thing) and you have to imagine the non-smokers as wimps. Every time someone complains about cigarettes we feed them to the fishes."

I was impressed. "No wonder Philip Morris stock is going up."

On Stage, at Last, at the Globe

Reuters

LONDON — Theatergoers stepped back into Elizabethan times on Tuesday when the Globe Theatre, a reconstruction of William Shakespeare's playhouse, staged its first public performance.

Up to 1,500 people crowded into the open-air wooden theater for "Henry V," and just as Shakespeare's contemporaries did, they stood, sauntered or sat on wooden benches.

The £30 million ($50 million) project on the south side of the River Thames — on the site of the original Globe — was the brainchild of the late U.S. director Sam Wanamaker. It is expected to be completed by September 1999, the 400th anniversary of the first recorded performance at the Globe.

Cherie Booth, Queen's Counsel and 'First Lady'

By Warren Hoge
New York Times Service

LONDON — The face was the same one that recently figured in hundreds of photo opportunities and front-page pictures around the world. But where there had been a designer suit there was now a black robe, on top of the softly layered hairstyle there was a tightly curled white wig and in place of the perpetual broad smile there was a judicious scowl.

Cherie Blair, Queen's Counsel, was back at work.

For two months she had been the constantly beaming consort of her husband Tony Blair as he took his Labour Party campaign around Britain, and in a memorable moment she had joined him in a triumphal hand-in-hand promenade along Whitehall while thousands of flag-waving people cheered their arrival at the official residence at No. 10 Downing Street on May 2.

A high-powered London lawyer with three young children and a host of friends, she was often compared to Hillary Rodham Clinton, just as her husband, a telegenic young politician who reformed his party and thereby captured the political center, was being compared to Bill Clinton.

The Labour campaign just as persistently kept saying that, unlike Mrs. Clinton, whom she will meet Thursday for the first time, Cherie Booth, as she is known professionally, harbored no political ambitions and would play no role in the new administration.

Let people say she was smarter or deeper or funnier or feyer than her husband, there would be no "two for the price of one" boast as there had been in the 1992 Clinton campaign. To prove it, she would return to her job whether her husband won or lost.

So every morning these days, she has taken her seat in the tufted leather high-backed armchair with the carved wooden frame behind the elevated desk in the Mayor's and City of London Court and presided over the case of Dixon vs. British Aerospace.

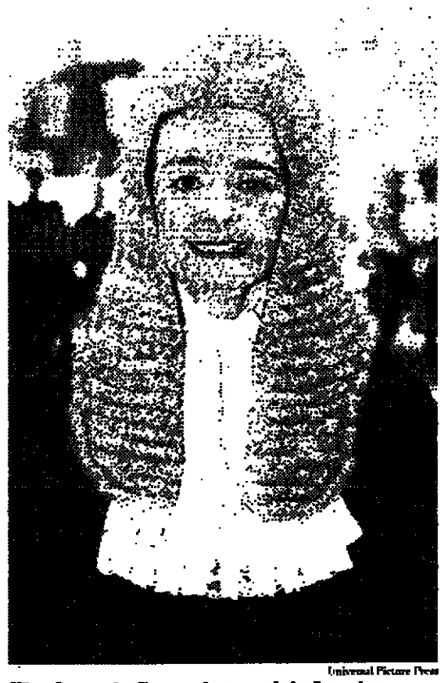
Even though the details of the proceeding sound awfully small bore for the wife of a head of government — a former British Aerospace worker is seeking redress from the company for a hernia he suffered in 1992 when a machine tool drill slipped off its faceplate — the fact that Cherie Booth is paying attention to them represents a historic moment for this tradition-minded country. No spouse of a prime minister has ever held a full-time job before.

In her precedent-setting pursuit, Ms. Booth profits from two other English traditions. She is insulated from suspicion of any conflict of interest by the politics-free nature of the judiciary and she can move about relatively unmolested by autograph seekers and paparazzi because of the privacy permitted non-royal participants in British public life.

"This is not like Hillary Clinton going into federal District Court in Washington," said Michael McNulty, an American lawyer who has practiced here for 28 years.

Ms. Booth, 42, a highly regarded lawyer in London, had a dazzling academic record at the London School of Economics, topped all candidates in her bar exams, entered practice in 1976 and was made a Queen's Counsel, a title held only by the top 10 percent of English barristers, in 1995.

She qualified last year to be an assistant recorder, a part-time judge in lower-court civil cases and a post that is viewed as the first rung on the ladder to becoming a high court judge, her ultimate ambition.


Universal Picture Press
The Queen's Counsel at work in London.

In countries like the United States, where judges are often either directly elected or produced from the political process, it would seem untenable to have the wife of a national leader rendering judgment in cases that turn on governmental conduct and national law. Voice that concern in England and people look dumbfounded.

"Judges here are such independent fellows," said McNulty, a partner in the London office of Whitman Breed Abbott & Morgan. "They would never be in fear of taking an action that might cause any retribution from a prime minister."

Denise Kingsmill, a colleague and friend of Ms. Booth's, said, "There's absolutely no thought she could be biased. Our whole system is designed to eliminate bias. It's part of why we put them in wigs and gowns. They are not meant to be normal human beings or advocates. I know some people think it's all a lot of antiquated rubbish, but it has a function. It puts the emphasis on the role the persons are performing, not the persons."

Over the past months, Cherie Booth, a busy mother, committed lawyer and jurist and an outspoken feminist, underwent a startling change in public personality, suppressing her opinionated side to become the adoring and silent partner of her 44-year-old husband as he led his party to its overwhelming victory in the May 1 national election.

Did her women friends fault her behavior?

"Not at all," said Kathy Lette, an Australian writer based in London. "She had to take the Hillary antidote. The press here is very virile and anti-feminist. We were all supportive of what she needed to do."

The wife of the earnest new prime minister is known to be exceedingly lighthearted as well as exceedingly bright. "She's playful, flirtatious, and I mean with women too" said Lette. "Unlike many of her law school contemporaries who graduated from Oxford in Advanced Condescension and stay emotionally constipated for life, Cherie is warm, genuine, earthy."

Her ability to keep the Cherie Booth identity from intruding on the Cherie Blair one lapsed in one affectingly embarrassing moment. The morning after her husband's election, a deliveryman bearing flowers came to the door of the Blairs' Islington home and she sleepily opened it, forgetting the world press was on the street outside. The picture of her standing barefooted in a wrinkled nightgown, her black hair an unruly bird's nest, was on every front page the next day.

Her name is pronounced as if it were spelled Sherry, and she got it after her father and mother, both touring actors, became enchanted with an 8-year-old girl called Cherie at a guest house during a week's stopover in Wales.

Her father, a Liverpool roustabout named Tony Booth, became a television star on a popular series and attracted an equal amount of notoriety by drinking, womanizing and then publishing a bawdy account of it all in 1989. Last weekend he was named a co-respondent by a college instructor in the Midlands who said his 42-year-old wife had left him to move in with Booth, who is 65. He left home when Cherie and her sister Lyndsey were young girls. The two girls were raised by their month Gale in the Lancashire town of Bury.

In 1983 Ms. Booth made her own foray into politics, losing as the Labour candidate for Parliament in a heavily Tory district in southeastern England while her husband, loser himself in a by-election a year earlier, was winning his seat in Parliament from the northern constituency of Sedgefield.

She resolved to become a power behind the bench, not behind the throne. She made her legal specialty employment law and involved herself in issues of sex, race and disability discrimination, domestic violence, child abuse, trade union disputes, sexual harassment, health and safety workplace standards, personnel problems, wrongful dismissals and equal pay claims.

As a Q.C. she is steered high court cases that set precedents and draw lines of authority. She has long been the family breadwinner, and her annual income these days is estimated at more than $350,000.

David Cheskin/The Associated Press
HAYWIRE — A visitor to the Royal Academy of Arts in London scrutinizing "ECKOW" by David Mach, a head made out of wire coat hangers. The sculpture is displayed at the academy's Summer Exhibition.

PEOPLE

THE movie "Titanic" will sail into theaters at least five months late. The disaster film will miss its original July 2 release date — just before the lucrative July 4 holiday weekend — to allow the director more time to complete it, the U.S. distributor, Paramount Pictures, said. It is now scheduled to debut Dec. 19. The film, written and directed by **James Cameron** and starring **Leonardo DiCaprio, Kate Winslet, Kathy Bates, David Warner** and **Bill Paxton**, has been rumored for some time to be in trouble, and some reports say the budget has grown to around $200 million. Variety quoted sources as saying the total cost could be $285 million, making "Titanic" the second most expensive movie of all time after "Cleopatra," which in 1963 cost the equivalent of $300 million in 1997 dollars.

□

Michael Jackson and the mayor of Warsaw signed a preliminary letter of intent on Wednesday to develop a Family Entertainment Theme Park in the Polish capital. Jackson, on a two-day visit to Poland, is also looking to restore a vast 300-room palace in the western town of Lubiaz to live in sometimes. Mayor Marcin Swiecicki said neither the location nor the size of the amusement park had been decided yet, but that both sides wanted it to be an all-year site for both children and adults.

□

Geneva Overholser, ombudsman of The Washington Post, has been elected chairwoman of the Pulitzer Prize Board, succeeding **Sissela Bok**, philosopher and writer, who is retiring from the board.

□

What's the well-dressed sailor to wear while yachting off Hyannis or reliving war exploits in the South Pacific? How about JFK PT Wear? **President John F. Kennedy** and his love of the sea are being marketed in a line of nautical clothing by **Kerry McCarthy**, who shrugs off suggestions that she is trading on the family name. McCarthy, whose mother was a cousin of Kennedy's, is kicking off her line on Thursday — the 80th anniversary of Kennedy's birth. McCarthy said she hopes the rest of the family is not angry with her, "because I can't do a thing about it if they are." Part of the proceeds will go to the Kennedy Library, she said.

□

A movie company has lost its $5 million breach-of-contract suit against **Pamela Anderson Lee**. A judge in Los Angeles ruled that The Private Movie Co. never had a valid contract with Lee to perform in the movie, "Hello, She Lied," and was not entitled to any damages for her failure to perform. He said it was clear that the "Baywatch" star objected from the very beginning to simulated sex in the script submitted to her.

□

The Iranian director **Abbas Kiarostami** returned home Wednesday to less than a hero's welcome after winning the Palme d'Or at the Cannes film festival. Kiarostami had to avoid a crowd gathered at Tehran airport because of threats made by Islamic fundamentalists angry that he kissed the actress **Catherine Deneuve** during the official awards ceremony. He almost missed Cannes when Iran initially refused to give him authorization to show his film, "Taste of Cherry," at the festival.

□

Madonna and **Carlos Leon**, the father of her 7-month-old daughter, have split up, The New York Daily News reported. The couple never intended to marry but were living together since before the birth of **Lourdes**.

□

After two and a half months and almost 26,000 miles (42,000 kilometers), **Linda Finch** touched down Wednesday at Oakland International Airport, completing the around-the-world journey **Amelia Earhart** never finished. Finch had departed in her twin-engine plane from the same field on March 17. Earhart, who was attempting to become the first person to fly around the equator, disappeared in the South Pacific on July 2, 1937.

Every country has its own AT&T Access Number which makes calling home or to other countries really easy. Just dial the AT&T Access Number for the country you're calling from and you'll get the fastest, clearest connections home. And be sure to charge your calls on your AT&T Calling Card. It'll help you avoid outrageous phone charges on your hotel bill and save you up to 60%* (remember that old Chinese proverb— a yuan saved is a yuan earned). Check the list below for AT&T Access Numbers.

Steps to follow for easy calling worldwide:

1. Just dial the AT&T Access Number for the country you are calling from.
2. Dial the phone number you're calling.
3. Dial the calling card number listed above your name.

AT&T Access Numbers

EUROPE			
Austria●○	022-903-011	Sweden	020-795-611
Belgium●	0-800-100-10	Switzerland●	0800-89-0011
Czech Republic▲	00-42-000-101	United Kingdom▲	0500-89-0011
France	0-800-99-0011		0800-89-0011
Germany	0130-0010	**MIDDLE EAST**	
Greece●	00-800-1311	Egypt●(Cairo)▽	510-0200
Ireland	1-800-550-000	Israel	177-100-2727
Italy●	172-1011	Saudi Arabia◇	1-800-10
Netherlands●	0800-022-9111	**AFRICA**	
Russia●▲(Moscow)◗	755-5042	Ghana	0191
Spain	900-99-00-11	Kenya▲	0-800-10
		South Africa	0-800-99-0123

Can't find the AT&T Access Number for the country you're calling from? Just ask any operator for AT&T Direct® Service, or visit our Web site at: http://www.att.com/traveler

Faster, clearest connections from countries with voice prompts (compared to major U.S. carriers on calls to the U.S. Clearest based on customer preference testing. *Compared to various hotel telephone charges based on calls to the U.S. in October 1996. Actual savings may be higher or lower depending upon your billing method, time of day, length of call, fees charged by hotel and the country from which you are calling. Bell-level countries permit country-to-country calling outside the U.S. Collect calling is available to the U.S. only. Country-to-country rates consist of the cost of a call to the U.S. plus an additional charge based on the country you are calling. You can call the U.S. from all countries listed above. ●Public phones require deposit of coin or phone card for dial tone. ○Calling available to designated countries only. ▲Limited availability. ◇Public phones require local coin payment during the call. ▽Dial "02" first outside Cairo. ◗Additional charges apply outside Moscow. ©1997 AT&T

AT&T